Wednesday November 30 1988

D 8523 A

LATIN DEBT

The lessons from Chile and Pern

Paris sends

in troops

strike-hit

to help

Page 21

World News

Greek PM sacks two ministers over scandai

Three ministers left Greece's Socialist Government, against the background of a growing scandal involving Mr George Koskotas, the Greek banker and press baron. Two were sacked by the Prime Minister and one resigned. Page 2

UK blames Dublin Margaret Thatcher, UK Prime Minister, was criticised irish handling of the case of Fether Patrick Ryan - wanted by Lon-don in connection with IRA murders and bombings - wbo walked out of a Dublin bospital

Israelis shoot 12

Israeli troops shot and wounded at least 12 Palestinians during a general strike in protest against the 1947 UN resolution that partitioned Palestine into Jewish and Arab

6 die in explosion Six firemen were killed when more than 20 tons of explosives blew up at a Kansas City construction site and police were

investigating the possibility of arson and murder.

Democrats' choice Senator George Mitchell of Maine, regarded as a liberal, won election as the Democratic Party's leader in the Senate.

14 die in Sri Lanka At least 14 people were killed across Sri Lanka in violence blamed on Sinhalese radicals and in police operations, according to officials in Col-ombo. Page 4

Soviet-Afghan talks Afghan resistance leaders have formerly announced that they will be bolding peace talks with high-ranking Soviet offi-cials in Saudi Arabia tomorrow. Page 4

New Turkish base Turkey, a member of NATO, is building a new naval base on the eastern Mediterranean at Aksaz Bay, near the south-

western town of Dalaman.

General strike call Peru's largest union association, General Confederation of Peruvian Workers, called for a general strike tomorrow

economic policy. Page 6

Sudan army raid Sudanese army said its troops killed 52 rebels and wounded rebel camps in the southern Bahr al-Ghazal region.

Japan fighter deal The US and Jepan officially agreed to begin joint develop-ment of a new Japanese fighter aircraft in an unprecedented project. Page 4.

Guard over the wall East German border guard disarmed a fellow soldier and clambered over the Berlin Wall to escape to West Berlin.

Refugees corrailed Zimbabwe is fencing in Mozam-bican refugees behind barbed wire at the Nyangombe camp, home to 13,000, because of a

potential security threat.

Snow and storms Blizzards swept Sweden, 110km an hour winds hit Denmark. and storms battered the East German coast.

Business Summary

No. 30,707

Alan Bond may bid for Texaco Canada

ALAN BOND, Australian entrepreneur whose business interests range from brewing to mining, declared himself a prospective bidder for Texaco Canada, Canada's fourth largest oil producer and also a 78 per ceot subsidiary of Texaco, the US oil giant. Page 23

BRITISH Satellite Broadcast-ing is to pay over \$160m for the rights to broadcast 175 fea-ture films owned by Colombia Pictures, the large Hollywood film studio. Page 9

LIT Holdings, acquisitive City of London-based future and options brokage, is stepping up its financial services slde with the acquisition of Johnson Fry, best known for its active role as a Business Expansion Scheme sponsor. Page 23

TRUST fund, set up to help finance the new Chinese provincial government which will take control of Hong Kong from the UK in 1997, is to take a stake in Hong Kong Teleco-munications. Page 23

AMERICAN Airlines, owner by the US AMR Corporation and Japan Air Lines, one of the biggest airlines in the Far East, joined the consortium of Brierley investments and Qantas of Australia in bidding for Air New Zealand, Page 24

COMMERZBANK, third largest of West Germany's commercial banks, reported a drop in earn-ings in the first 10 months as a result of higher staff and equipment costs. Page 26

NISSAN, Japanese automotive group, aims to increase its car and commercial vehicle sales in West Europe by some 20 per cent during the next five years to more than 600,000 units. Page 24

GOODMAN Fielder Wattie, Australasian food giant, remains interested in the mill-ing and baking operations of RHM, British foods company tive £1.6bn (\$2.94bn) bid earlier this year. Page 26

DEGUSSA, West German chemicals and precious metals group, said its group sales rose 16 per cent to DM13.6bn (\$7.84bn) in the year ended September 30. Page 26

SODEXHO, French catering services group, has increased net profits in the year ended August 31 to FFr111.6m (\$18.9m) with sales up 24 per cent to FF17.1bn. Page 26

SECURITIES dealers from around the world are meeting in Tokyo next week to launch improve the exchange of infor-mation. Page 26

JAPAN'S nine electric power utilities all suffered profit declines in the six months to September because of rate cuts imposed by the Government and, in all but two cases,

declines in sales. Page 27

DAINIPPON Printing, Japan's largest printing company, reported pre-tax profits of Y30.14bn (\$247m) for the first half-year ended September. equivalent to a 5.4 per cer increase over the first half of

JOHN Elliott. who controls the Elders empire, became the second Australian entrepreneur within a month to announce be is to buy out his minority shareholders Elders Investments. Page 26

KONICA, Jepanese maker of photosensitive materials, lifted pre-tax profits 39.4 per cent to Y5.61bn (\$45m) for the first half to October, as sales rose 8.3 per cent. Page 19

CONSUMER Services Group of Citibank bopes to open its first office in Cyprus in 1989. making it the first US banking organisation to set no business on the island. Page 29

Gorbachev pledges to revise relationship with republics

MR Mikhail Gorbachev, the Soviet leader, yesterday moved to head off a threatened rebelto head on a threatened repel-lion by several Soviet repub-lics, announcing key cooces-sions in the far-reaching constitutional reforms set to be approved in Moscow this week. He promised the immediate establishment of a constitutional committee to revise the federal relationship between the Soviet state and its 15 constituent republics, and an increase in the representation of the republics in the new standing parliament to be set

A string of other amend-ments to more than half the clauses in the constitutional reforms have yet to be pub-lished in detail, but they would appear to go a long way to answering some of the most outspoken criticism.

The constitutional draft, designed to create a new super-parliament - the Con-gress of People's Depnties - and the powerful post of an executive president, as well as to introduce new laws for multi-candidate elections

throughout the Soviet system, had been criticised by five republics as a threat to their desire for greater autonomy.

Mr Gorbachev, who last week angrily denounced the tiny Baltic republic of Estonia – the ringleader of the revolt - for precipitating a constitu-tional crisis, yesterday appeared to be offering an olive branch to encourage the nalists back into the fold.

Five republics have threat-ened to vote against key parts of the constitutional reforms if they are not changed, includ-ing Armenia and Georgia in the south, and Latvia and Lithnania, as well as Estonia, in the Baltic. All are non-Russian, and all have strong nationalist traditions. Mr Gorbachev apparently dropped from an earlier draft of this speech a reference this speech an attack on Estonia's behaviour as deplorable. Instead he admitted that drafting errors had caused "misunderstanding" of key Last night Mr Arnold Ruutel, Continued on Page 22



Vaino Valjas (left), Estonia's Communist Party chief, listens to Mikhail Gorbachev's address to the Supreme Soviet in Moscow

Plessey bid raises concern at **UK** defence ministry

By David White and Terry

GENERAL Electric Company's joint takeover bid with Sie-mens of West Germany for Plessey, the UK electronics group, has failed to overcome concern within Britain's Minis-try of Defence about the potential loss of competition in key areas of military electronics. areas of military electronics.
Senior ministry officials confirmed yesterday that work was underway to identify fields in which competition would be threatened if the £1.7bn (\$3.05bn) bid went through.
Under the GEC-Siemens proposals, a 50-50 joint venture company would be established to take charge of Pleaser's IIK

to take charge of Plessey's UK defence interests. The intention would be that this venture would be able to compete with the defence businesses of GEC-

This proposal is seen as cru-cial to GEC's attempts to avoid the Monopolies and Mergers Commission blocking the bid. Commission blocking the bid. The UK competition watchdog decided against GEC's previous bid for Plessey after forceful objections from the MoD.

Although the ministry has not decided its final position, it is likely to suggest to GEC that parts of Plessey's £500m a year defence business should be hived off after completion of the planned takeover.

the planned takeover. This proposal would match a suggestion by Lord Weinstock, GEC's managing director, that he was willing to give guaran-tees to the ministry or dispose of businesses to structure the hid in an acceptable form.

The ministry's objections, however, cover areas such as military communications, radar and naval sonar systems, all of which are considered to be among the most valuable ets of the Plessey business. GEC's response to these auxieties could be a central factor in the bid battle, since the min-

tracts in different countries.

By supporting this approach, the ministry could open up the

For Labour, Mr Brown delivistry's Procurement Executive is believed to be strongly in Savour of some other aspects of ered what his own side claimed as a superb strack on the the proposals.
In particular, it supports the that the Mr Lawson's "boom-to-bust" policies had left Britain with the largest trade deficit, the highest interest rates and the second-highest idea of a joint venture arrangement under which GEC would hold 50 per cent of the West German company's defence activities as being a possible first step to the formation of inflation rate in Europe. He sought to exploit the pol-icy differences over economic trans-national European groups. These companies would be able to compete with each other for defence con-

policy earlier in the year between Mr Lawson and Mrs between Mr Lawson and Mrs Thatcher. The Prime Minister, he said, "was the one neigh-bour in Britain, with the power of eviction." The question of who would succeed the Cham-Coutineed on Page 32 and on Page 22 Editorial comment, Page 20;

cuts in next year's Budget but said that he intended "to keep"

The immediate reception among Conservative back-

benchers, appeared supportive rather than warm and some were suggesting last night that his authority would still depend crucially on the trade

performance over the next few

Mr Lawson will face further

questioning in the House of Commons later today when he appears before the all-party Treasury and Civil Service

a substantial budget surplus

commuters By Paul Betts in Paris Dodsworth in London THE FRENCH army will be on hand to provide transport services in Paris this morning to help more than im suburban commuters stranded for days as a strike on the rail network into the capital has spilled over to the underground and bus services.

The strike, in which the unions are demanding increased pay and changes in working conditions, is also turning into a major political showdown between the country's Socialist Government and the pro-Communist CGT

President François Mitterrand approved yesterday both the Government's decision to turn to the army for help and its tough stance against the CGT union members leading the latest strike action to hit the Paris urban transport sys-

The strike follows a series of labour conflicts during the autumn in the public service sector ranging from hospitals to postal services, and is causing increasing anger among local commuters and busi-

Mr Michel Delebarre, the Transport Minister, said the Government had no intention of howing to the union demands. He arged the Paris urban transit authority to stop paying striking workers and to take sanctions against

For its part, the French Communist newspaper, L'Humanite, urged the Government yesterday in a hig front page headline "to negotiate, not repress" the striking workers.

There were plans to set up come talks leet night me talks last night.

The Communists are widely considered to be using the conflict in an apparently vain attempt to win Socialist party agreement to a Socialist Communist local electoral pact for next spring's municipal elec-

The army is expected to sup-ply 365 trucks, including 115 from the French contingent stationed at Karlarube in West Germany, by the end of this week to carry commuters blocked by the strike that has paralysed two key lines in the capital's regional express rail network. Officials said yesterday that the first 250 army trucks would be ready for service this morning.
It is the first time in 17

20%

The second of th

经最高金融

· 图 1868年, 1868

years that the French authorities have been forced to bring in the army during a stoppage on the Paris transport system.

Lawson defends interest rate rise

By Philip Stephens, Political Editor, in London

MR NIGEL LAWSON, Britain's Chancellor of the Exchequer, yesterday delivered a decisive message of "no change" in his economic strategy as the oppo-sition Labour Party Launched a stinging attack on his policies in the wake of October's record

In a noisy and frequently bad-tempered debate in the House of Commons, Mr Lawson resolutely defended his decision to raise interest rates to 13 per cent last week and brusquely dismissed calls for introduction of credit controls. interest rates were both the only and the most effective weapon to deal with inflation, he intimated. Higher borrowests were a singulariy well-directed way of restraining the excessive consumption which was behind

the upsurge in inflation. Responding to a sharp and well-delivered attack by Mr Gordon Brown, Labour's Trea-sury spokesman, Mr Lawson insisted that the recent sharp tightening of monetary policy meant that the trade deficit would eventually "take care of Itself." In the meantime, the Government would maintain overseas confidence by ensuring that sterling remained

In spite of Bank of England

Pound rises against DM and dollar

Sterling yesterday rose sbarply on the foreign exchanges following Mr Lawexchanges tohowing ar Law-son's statement. Earlier in the day the Bank of England inter-vened to smooth the pound's rise, but traders in Loudon said this was not seen in the afternoon. The pound closed 14 pfennings higher at DM3.20 and 1½ cents higher at \$1.8525. Currencies, Page 48

intervention yesterlay mornrecent climb, Mr Lawson said: "I am determined that it [the pound] shall stay strong for the indefinite future. The Chancellor hinted, however, that the annual inflation

rate may rise to about 7 per cent or above next year before falling back again. He said that the retail price index minus mortgage interest rates, which the Treasury regards as the best guide to underlying inflation, would peak at about 5% per cent. Even before prospective further rises in mortgage rates in

Sterling against the D-Mark (DM/E)

Dollar against the D-Mark (DM/\$)

1.86

an overall inflation rate of 6%_ In characteristically combative mood, Mr Lawson seemed to re-establish his political standing with his backbenchers after the bout of jitters which hit Conservative MPs

after Friday's trade figures. Earlier Mrs Thatcher had caused some comment at Westminster when she appeared to sidestep Labour demands that she publicly praise the Chancellor. If it were necessary the Government would raise interest rates again to control infla-tion.

Mr Lawson made no direct January, that would suggest mention of the prospect for fax

possibility of a part of Plessey's defence business being acquired by Bacai of the UK or Continued on Page 22



THE CITY ON THE WATERFRONT

International companies like Nomura, Pershing Keen and Lloyds Bank have already chosen Harbour Exchange Rents around 200 per sq ft and no rates until 1992.

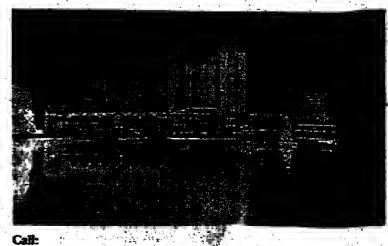
H.Q. buildings up to 500,000 so ft and a range

of suites from 5,000 sq ft available.

Top "City" specification throughout including VAV zir conditioning, high speed lifts, raised floors and generous car parking.

Waterfront restaurants, pub and shops.

Excellent rail, riverbus, road and airport connections.



Peter Hadley Harbour Exchange 01-556 8888

Nick Thomlinson Knight Frank & Rocley 01-358 0744

Fujitsu will pay IBM \$396m over software licence dispute By Roderick Oram in New York most important and bitter fight

FUJITSU, the leading Japanese

computer maker, is to pay \$396m to International Business Machines to resolve a six-year dispute over its use of IBM's current proprietary com-puter operating software. It constitutes a licence fee for the use of IBM's current operating The payment is in addition to \$437m it has already paid IBM in licence fees up to last year - a total cost of \$833m. The deal worked out by US arbitrators over the past 15 months also lays down fees and tight rules for Fujitsu's access to additional new IBM programs over the next 10 years. The first year charge will be between \$26m and \$51m, depending on how much material Fuitsu asks to study. Fujitsu's unauthorised use of

IBM's copyrighted programmes in the 1970s helped it to pro-

duce mainframe computers

compatible with, but cheaper than IBM's. The result was the

over compatible machines the industry has seen. The American Arbitration Association, which handled the case, said that it was arbitrat-

case, said that it was arbitrat-ing many other computer industry disputes. However Mr John Jones, one of the two arbitrators, said that, because settlements set no legal prece-dents, "we have no idea" whether other cases will follow the IBM pattern. the IBM pertern.

IBM began legal action in 1962, leading to a preliminary settlement in 1963. Fujitsu made large payments over the next four years but the parties had to turn to arbitrators herewas they could not seeme

because they could not agree on the scope or value of a final agreement. Analysts had expected the arbitrators' pact to be worth closer to \$100 for IBM but on the other hand Fujitsu's future access is more tightly controlled than fore-cast. Essentially it will learn only what IBM's new software

does, not how it does it. Both companies expressed pleasure at the outcome. Mr Jones said the decision would allow Fujitsu to have a

would allow runted to have a reasonable opportunity to develop and maintain IRM-compatability independently. With the pact, announced simultaneously yesterday in New York and Tokyo, Fajitsu's customers will be able to use its programs without fear of legal action by IBM or growing incompatability with IBM's machines. Moreover, applications software written by third parties will work equally well on either company's comput-ers. Fujitsu will set up a high-security Japanese facility run by a neutral party where ISM-will show it details of new programmes. The arbitrators have drawn up a complex set of standards and rules for the

In mid-session trading on Wall Street IRM shares were up \$% at \$118%.

ments South African railway rolls

Sersell No sesy options as leaders struggle to

Settorial comments End of the UK's political

honeymoon, Resourcemics warmed over20

Lass Markets: Allied: Bond Corp. HK Telecom:

CONTENTS

Franco-Soviet relations relaunch fails to ignite the media



the Soviet space launch with a French astronaul aboard, President François Mitterrand'a visit to the Soviet Union has been dismissed by the French press as a letdown, perhaps for the WICHG FRASORS

Incurances Australian Motual takes the international route ... Surveys Venture Capital -Wall Street

MARKETS STERL INC. Tokyo Niikkai Average (1000) \$1,8525 (1,8385) \$1.8525 (1.837) DM3.2 (3.1825) FFr10.925 (10.875) SFr2.8775 (2.665) Y225.0 (224.5) DOLLAR New York transitions FFr5.9005 (5.93) SFr1.44625 (1.45375)

US lenchtime Federal Funds 87% Y121.55 (122.325) London: DM1.727 (1.733) (8½) 3-mth Treasury Bills: yield: 8,236% (8,239) Long Bond: 98% yield: 9,128% (9.15)

13¹s (same)

Y121 45 (122.2) COLD New York

STOCK INDICES New York lunchtime Dow Jones Ind. Av. 2.094.42 (+12.98) 270.62 (+1.98) London FT-SE 100 1,786.9 (+5.4) World: 136.23 (Mon) Tokyo

29,318.3 (+334.96) Frankfurt Commerzbank 1,567.0 (-2.7) Brent 15-day (Argus) latest \$14.20 (-4cts) (Dec) West Tex Crude \$14.95½ (-39cts) (Jan)

Hambros ...

agree on new coalition .

US PRESSURE for an increase the balance between its conin the European contribution to Nato should be taken seriously, Mr Manfred Wörner, the Nato Secretary-General, said yesterday, but he did not expect a "substantial" witb-

expect a "substantial" with-drawal of US troops.

He was responding to a statement by Mr Frank Car-lucci, the US Defence Secre-tary, that overseas troop cuts were probable in the event of zero-growth in the defence bud-get over the pext five years get over the next five years.

Mr Worner also said Nato had to hammer out its "overall strategy on disarmament in

Europe by early next summer. Coinciding with his standard appeal for more inter-European co-operation in Nato, the West German Army has decided to propose a new multi-national division for Nato's Northern Army Group. The plan, which will be unveiled officially at a meeting of Nato defence ministers tomorrow, is in create a ters tomorrow, is to create a new air-mobile division from the four members of the North-ern Army Group – West Ger-many, Britain, Belgium and the Netherlands.

A SENIOR Soviet officer

ventional forces in Europe and those of the Warsaw Pact, Judy Dempsey writes from Vienna. But Cot-Gen Nikolai Chervov

did not attempt to refute in detail the data which Nato released last Friday.
The Nato report, called "Conventional Forces in Europe: The Facts", quoted hitherto classified information

on Nato's forces and concluded that the Warsaw Pact had superiority in several areas, including tanks, anti-tank weapons, air-defence systems and artillery. It did not mention naval forces (which hy definition can-not be confined to one conti-

neot). Gen Chervov said this omission reflected Nato's clear advantage" in ships. He also dismissed sugges-tions that Nato, in releasing the new data, aimed at achiev-ing more openness. Gen Cher-vov said be could not under-stand wby Nato bad unilaterally released its report

orated last July call for an exchange of data to be followed by the elimination of "imbalyesterday dismissed as "mis-leading" and "propaganda" ances" in Nato and Soviet bloc Nato's recent assessment of forces, and deep cuts in troops.

Foreign policy set to loom large at Rhodes summit

By David Buchan in Brussels

THE EUROPEAN Community is gearing up to an unusually outward-looking summit dis-cussion at Rhodes, with officials beavering away at three separate foreign policy reports to present to government heads in two days time.

In a letter yesterday to fel-low-EC leaders, Mr Andress Papandreou of Greece, the summit host, said that discussioos over dinner on Friday

night and the following morning would all be devoted to the EC's economic and political relations with the rest of the world. He wanted a statement of "basic principles" governing third-country relations.

The Greek presidency has promised to strengthen a draft statement on the Community's role in the world, designed generally to be a further effort to dispel foreign fears that the EC

is paralleling internal deregulation with external protectionism. Some foreign ministers had complained at a meeting here tast week that Atbens' draft was not specific enough in referring to Japan, the Euro-pean Free Trade Association countries and Eastern Europe. National officials of the Twelve are also digesting a

special report on Eastern Europe offered by the Euro-

pean Commission for the Rhodes menn. This suggests that the EC should adopt "a thoughtful, positive and watchful" approach to political and economic perestroika.

The EC should seize opportu-nities opening up in East-West trade, the Commission report says, but only on the basis of "strict reciprocity". Individual member states should also avoid trying to outbid each

other on export credit, and and the Middle East. remember the wider EC interest by tetting the Commission negotiate the opening of "Euro-

pean business centres" in East-ern European capitals. Mr Papandreon also said time at Rhodes would be set aside to discuss, in the extra-EC framework of foreign policy co-operation between the Twelve, topical issues such as East-West security relations

However, the prospect of lively discussion on internal EC matters at the outset of the summit is raised by the Greek Prime Minister's recommenda-tion that the meeting should discuss "the social dimensions of the internal market". He defined this as encompassing anti-unemployment measures and training and health and safety protection for workers.

Greek cabinet ministers sacked

By Andriana lerodiaconou in Athens

THREE MINISTERS have left Greece's Socialist Government. against the background of a growing scandal involving Mr George Koskotas, the Greek banker and press haron.
The Government is accused

by the opposition of irregular dealings with Mr Koskotas. who was charged with multi-million dollar fraud last October and is currently in detention in the US a hearing on a Greek extraditioa request. Mr Stephanos Tzoumakas,

the Alternate Education Minis-ter, and Mr Haris Kastanides. the Assistant Education Minis-ter, were removed from their posts by Mr Andreas Papandreou, the Prime Minister, while Mr Kostas Laliotis, the Minister without Portfolic. resigned voluntarily.

Mr Troumakas and Mr Lali-ctis are members of Pasok's (the ruling socialist party's) executive hurean, while Mr Kastanides, a deputy for Salon-ika, is said to wield consider-able party influence in porthable party influence in northera Greece

Ail three belong to a younger Pasok guard which includes the Education Minister and son of the Prime Minisler. Mr George Papandreou.
Although varied on the surface, the reasons for the departure of the three from the cabinet can be traced to the farment surrounding the Kos-

kotas scandal. Dir Kastanides declined to address a celebratory Pasok gethering in Salonika last Saturday, stating bluntly in an obvious reference to the Kosko-

tas affair that "until such time as Pasok undertakes substan-tial initiatives for the rehabilitation of public life, I refuse to deliver unfitting speeches."

Mr Tzoumakas sent sbock tremors through the party by accusing the Socialist leader-ship of GSEE, Greece's Trades Union Congress, of financial fraud, and vote-rigging during last month's 24th GSEE confer-ence. Mr Tzonmakas' move was interpreted as a signal to the Prime Minister that senior Pasok officials will not tolerate corruption.

 The Bank of Crete has filed a civil racketeering suit in Manhattan Federal Court against Mr Koskotas, its for-mer chairman, saying he was responsible for the bank's loss of over \$200m, Reuter reports.

Glasnost fails to lift ban on Solzhenitsyn

By Quentin Peel in Moscow

A SENIOR SOVIET leader has A SENIOR SOVIET leader has ruled out publication in the Soviet Union of leading works by Alexander Solzhenitsyn, accasing him of having "antisocial, anti-Soviet views."

Mr Vadim Medvedev, the member of the polithoro responsible for ideology, stated that "to publish Solzhenitsyn's work would be to

zhenitsyn's work would be to undermine the foundations of

our system". His comments are a blow to the growing number of intel-lectuals who had been hoping that glasnost would lead to the banned works being pub-

Mr Medvedev, promoted by Mr Medvedev, promoted by Mr Medvedev, promoted by Mr Medvedev, promoted by Mr Medvedev, straight into the polithuro just two months ago, singled out Solzhenitsyn's buge "Gulag Archipelago" trilogy about Soviet labour camps, and "Lenia in Zurich", about Lenin's exile, for particular objection.

"In these works there is a position developed which radically contradicts our society and political system, our understanding of the world, our attitude to history, our revolution, and our attitude to history. towards Lenin," he said.

The literary magazine Novy Mir has announced its inten-tion to publish two of Solzhenitsyn's works - the novels
"First Circle" and "Cancer
Ward" - although uo agreement appears to have been
reached with the author, who

lives in exile in the US.

Last month, the Soviet
Union of Cinema Workers
called for the repeat of Solzhenitsyn's deportation.

 AN ARMENIAN official accused Azerbaijani authorities yesterday of openly deporting Armenians, adding to the thousands from each republic who had already fied ethnic violence, Reuter reports from Moscow. The official Armenpress news agency in Yerevan, the Armenian capi-tal, accused Azerbaijan of tal, accused Azerbaijan of adopting a policy of driving Armenians from the republic. The open deportation of Armenians is now taking place," it said.

Trentin picked to head Italy's biggest union

By John Wyles in Rome

MR Bruno Trentin was unanimously chosen yesterday as the new secretary general of Italy's largest trade union confederation, the Cgil, in succession to Mr Antonio Pizzinato who resigned a fortnight

The Cgil has never changed leaders mid-term before and the yesterday the precedent was widened by a decision that Mr Pizzinzio should join the union's administration as a confederal secretary. Mr Pizzinzio chose to step down affective to became clear that he had lost the confidence of a broad section of the union from the communist left to the socialist right.

Mr Trentin, aged 62, has Mr Trentin, aged 62, has recognisably stronger leader-ship qualities, e very broad international experience – he speaks French and English fin-ently – and close ties with the Communist Party left. His first task will be to supervise the Cgil's approach to forthcoming national pay talks covering public employees and to develop a common position with the other two smaller confederations the Cisl and the Uil, on proposals for reforming collective bargaining which out, on proposats for reterming collective bargaining which are being developed by Confin-dustria, the employers' organi-sation.

Published by the Fidancial Times IEstuper Ltd., Frankfurt Branch, represented by E.Hugo, Frankfurt/Main, and, as members of the Board of Discreys, F. Barlow, R.A.F. McClesn, G.T.S. Duner, M.C. Gorman, D.E.P. Palster, London, Pronter: Frankfurter Scientist-Drackers-GmbH, Frankfurty Main, Responsible editor: G.D. Owen, Financial Times, Bracker House, Casson Street, London ECGP 43Y. • The Financial Times Ltd., 1988.

FINANCIAL TIMES, USPS No 1996-0, published dealy except Sandays and bolidays. US subscription rates \$165.00 per annum. Second-class postage and at New York NY and at additional maning offices, POSTMASTER, and address change to. FINANCIAL TIMES, 16 East 60th Street, New York, NY 19022.

Financial Times (Scandinavia) Ltd. Ostergado 44, Copenhugen,

Commission to ease EC competition rules

EUROPE'S fast growing franchising and technical licen-sing industries will today be granted formal exemption from EC competition restrictions.

The European Commission expects to adopt two so-called block exemptions for franchis-ing and licensing. These are codes of practice to enable companies to obtain automatic

clearance for their agreements under EC competition rules. The aim is to guarantee such ventures against interference from Brussels and to protect them from having commercial accords challenged on competition grounds by disgruntled competitions or customers

competitors or custom Technically, agreements of this type are contrary to EC rules against arrangements designed to share markets or sources of supply. But the Commission has the legal scope to exempt otherwise

restrictive deals so long as they improve distribution or promote economic progress. Both distribution and service franchises are covered by the long awaited accord, the first Community-level code for this US-inspired business practice. It stipulates that franchisees should be allowed to choose from agreed suppliers, rather than being restricted to buying from the franchisor.

Guarantees should also be valid across franchisa net-works, rather than being limited to individual franchisees, a move that should please con-

The Commission gives fran-chisors the general legal right to insist that franchisees should not set up in direct competition against them. There are exceptions, however. Franchisors cannot stop fran-chisees from investing or from bolding passive minority stakes in competing busi-

The exemption for know-bow covers any kind of licensing agreement for technical information not otherwise covered by a patent. An EC block exemption for patent licensing

exemption for patent licensing was adopted four years ago.

The technical information covered by the know-how scheme includes production processes, chemical formulae, industrial designs or software. Broadly, the accord allows the owner of technical information to write into licensing deals. to write into licensing deals limits on the geographical area, sector and length of time in which the know-how can be used. It will be most useful to industries that demand a lot of research and development, like chemicals, pharmaceuticals or nuclear energy.

Warsaw plans to legalise currency black market

By Christopher Bobinski in Warsaw

THE POLISH Government's top economic committee (Kerm) is planning to legalise the country's flourishing hard currency black market, an offi-

cial communiqué has said. Kerm has also announced that from now on Poles are to be permitted to take up to \$500 with them when they travel abroad without any additional formalities and said that draft changes in the foreign currency law would allow "hard currency transactions between private citizens."

The expected easing of additional restrictions on travel abroad means that the black market rate of the dollar is now moving up much faster than is usual in the pre-Christmas period. In a matter of days

the price of the dollar has risen from 2,700 alotys to some 3,200 zlotys while the official rate is fairly stable at 488 zlotys.

The rising demand for the dollar reflects apprehension about continuing high inflation at bome next year as well as bopes held by private business that taxes and restrictions on foreign trade will be liberalised making possible the use of hard currency on a wider scale than now.

At the moment Poles have savings worth some \$3bn in official bank accounts while purchases in state owned hard cnrrency stores tast year reached a tevel of \$596m. Remittances from abroad each year are estimated to be running at \$700m a year.

Denmark 'faces third year of stagnation'

By Hilary Barnes in Copenhagen

DENMARK faces a third year of economic stagnation in 1989, of economic stagnation in 1989, when the gross domestic product is expected to decline in real terms by about 0.4 per cent, according a forecast by the triple chairmen ("the three wise men") of the semi-official Economic Advisory Council.

The GDP declined by about 1 per cent in 1887 and will show an increase of about 0.2 per

an increase of about 0.2 per cent in 1968. An autumn fore-cast by the Government was rather more optimistic, predicting a GDP increase in 1989 of 0.7 per cent. Unemployment will rise over the next two years from around 245,000 this year to 300,000 by 1990, say the chairmen, or from just under 9 per cent to almost 11 per cent.
But the chairmen warn
against government measures
to stimulate domestic demand. on the grounds that this will lead to a new deterioration in the current balance of psyments deficit. They call on the labour market to stop unem-ployment from rising by ensur-ing that there are virtually no new wage increases next year, or even a wage reduction. The current external account is expected to fall from about DKr18bn (\$2.76n) this year to DKr16bn in 1989 and DKr12-18bn in 1990, with rising inter-est on the foreign debt cutting into a surplus on the trade



MONTGOMERY TRANSPORT LIMITED

We operate direct unit toad transport services between GREAT BRITAIN, IRELAND and most **EUROPEAN** countries.

Our depot network has now been complemented by our first European depot, recently opened at COLOGNE, in West Germany.

We have a modern fleet of 200 tractor units and a trailer fleet of 600 flats, vans, curtainsiders, tilts, reefers, tankers and car transporters.

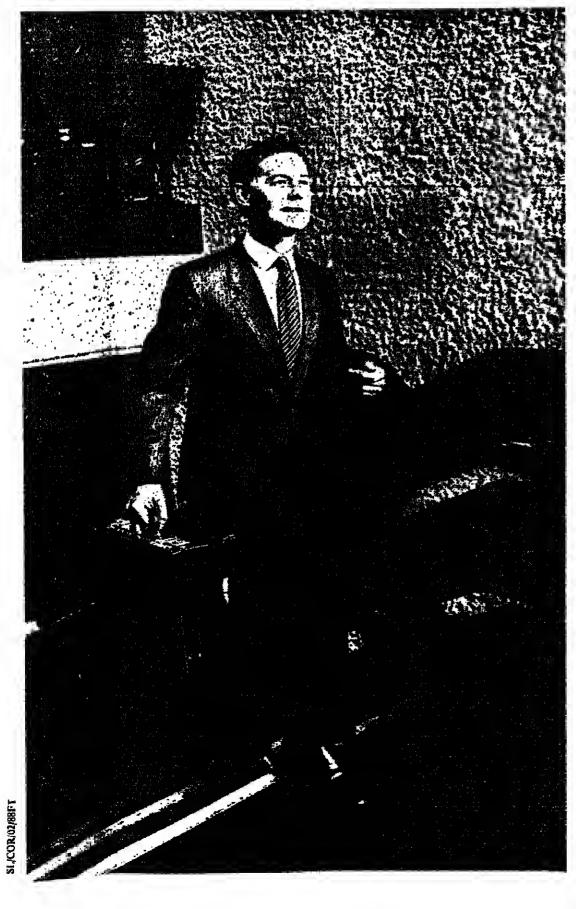
> Please contact us at: Head Office, Glengormley

Telephone: 02313 49321 02313 2746 or Telex (N. Ireland) 747024

Our depot network also includes Stranger, Glasgow. Preston, Toddington and Duhlin

SIEMENS

Yesterday, this man lost two stones



We're referring to the removal of kidney stones. Without surgery. Without general anaesthetic. Without a lengthy stay in hospital. In short, an alternative that reduces the strain on patients as well as hospital resources.

LITHOSTAR® from Siemens is a new generation of machines that dissolve renal and ureteric stones by the use of shockwaves - a principle known as Extracorporeal

Shockwave Lithotripsy (or ESWL). It is a safe and extremely effective method, using a sophisticated X-ray and digital image system to locate the stones, and to control and monitor

the treatment. LITHOSTAR is typical of Siemens continuing commitment that is helping change the face of medicine.

Siemens is one of the world's largest and most innovative electrical and electronics companies, with a clear commitment to providing a consistently high standard of service to our customers.

For further information on Siemens send for our new booklet 'Siemens in the UK!

Siemens Limited, Siemens House Windmill Road, Sunbury-on-Thames Middlesex TW16 7HS Telephone: 0932 785691



LITHOSTAR in action - fast elimination

Innovation Technology Quality Siemens

By Paul Betts in Paris

FRANCE yesterday began FRANCE yesterday began commercial operation of its new generation telecommunications system, blending the country's digitalised public ewitching network with the telex, public data and other existing networks into a single high performance system.

Mr Paul Quiles, the Telecommunications Minister, claimed yesterday that France was the first to introduce an integrated services digital network (ISDN)

services digital network (ISDN) commercially. The network is expected to lay the basis of a new era in telecommunications and telephone services.

France had been able to take a lead in this field, he said, because it had developed the world's most extensive digital worm's most extensive digital telephone switching network, with 65 per cent of the national network already digitalised. This had enabled France to integrate the existing network with the new ISDN technology instead of hearing to integrate in a instead of having to invest in a separate system, as were West

Germany and Britain.
The ISDN service is now available to business and individual telephone subscribers in the Paris and Brittany regions. By 1990, it is expected to be available to the entire country and will be connected to other international networks.

France Telecom, the state telecommunications authority, expects the number of subscribers to the enhanced net-work to total about 600 by the end of this year, rising to 150,000 by 1992 and 500,000 by

It will charge them a basic monthly fee of FFr300 (£28) to be linked to the new network which will be known as which will be known as.
Numeris. The new network
will make telephone sets more
'intelligent' by enabling them
to store messages, offer paging
services and communicate
with communicate
with communicate with computer and videotex terminals. France Telecom has already formed about 20 partnerships with professional users and telecommunications equipment suppliers to develop specific applications and ser-

i legalis

narket

, ,

157

third

111

. .

Mr Quiles also announced yesterday a series of co-operation agreements between France Telecom and large computer groups like the French state-owned Bull group, Digital Equipment and Electronic Data Systems (EDS), to develop hardware and software applica-tions for the new system.

More foreigners m w Germany

THE NUMBER of foreigners in West Germany soared by 70 per cent between 1970 and 1987, while the native population declined, the Government said yesterday, Reuter reports from

Mr Friedrich Zimmermann,

the Interior Minister, said the census conducted in May 1987 registered 61,082,800 people in West Germany, 432,000 more-than the last count in 1970. The increase was accounted for by the surge in foreigners from 2.4m to 4.1m. Turks comprise the largest foreign minority.

The number of native West Germans fell from 58.2m to 56.9m, 1m more than antici-

Ian Davidson reports on an uncomfortable close encounter of the Soviet kind

Soviet space launch with a French astronaut aboard, and an assertion by the presidential spokesman that President François Mitterrand's two-day visit to the Soviet Union marked a "relaunching" of relations, the trip has been widely dismissed in the French media as rather a let-down. So much so, that the Elysée Palace has made significant efforts to counter the disenchantment.

While downbeat comments were perhaps to be expected from the conserva-tive press (the Quotidien de Paris spoke of a "slender balance-sheet", there was a similar tone in left-wing newspapers normally favourable to the President such as Liberation.

While noting that Mr Mitterrand and Mr Mikhail Gorbachev had agreed to hold yearly summits, it asked: "Will that be enough to restore a special rela-tionship between Moscow and Paris?" In fact, Mr Mitterrand'e trip chalked up a number of procedural or formal agreements which, if workaday, are all

on the positive side.

A scientific, cultural and technical agreement is in preparation which will pave the way eventually for a French cultural centre in Moscow.

Agreements are in preparation on youth exchanges, on the protection of investments, and on the avoidance of accidents at sea. A "grand commission" for bilateral economic questions will meet in February, and Mr Gorbachev will pay a return visit to France in the first half of next year.

In comparison with what is at stake

In comparison with what is at stake in the foreign and domestic policy revo-lution which is under way in the Soviet

Union, these agreements may seem modest, but they are not so modest as to justify the disappointment of the

to justify the disappointment of the French press.

The explanation must therefore lie elsewhere; first, in the extraordinary treatment meted out by the Soviet authorities to the visiting French journalists; second, in long-standing French yearnings for a role of global glory which does not seem to be within France's reach.

On professional grounds, it is seldom good practice for journalists to com-

good practice for journalists to com-plain about difficulties put in their way. When a journalist is taken hostage by terrorists, he becomes part of the news and an object of interest; when he has difficulty extracting information from mendacious officials, readers simply do not want to hear.

In this case, however, the events have a certain political interest which makes them worth telling. Not merely did Soviet officials obstruct the 100-odd French journalists who accompanied the French President on his visit, but they did so in terms which broke explicit understandings with the Elysée Palace.

The agreed programme was simple. The journalists were to land at Leninsk at 15.30, and be taken by bus to Baikonur, arriving at 16.30, in good time to

observe Mr Mitterrand'e arrival.

After a visit to the space centre and a press conference by the French President, the journalists would be taken to an observation post next to that reserved for the presidential delegation. After the launch of the spacecraft, the journalists would be taken at 21.30 to a press centre at Baikonur, to transmit their dispatches or television foot-

Events turned out very differently.

Local officials diverted the buses into
the countryside at Leninsk for two
hours, with the result that the journalists arrived after dark (and could there-fore see nothing), and after President

The public address system for the news conference was so poor, that it was virtually impossible to make out what the President was saying. For the launch, the journalists were parked in an open field a kilometre or two from the launch site; by good fortune, there was no snow, and the temperature was slightly above zero.

And after the launch, the Soviet officials refused to take the journalists back to the press centre (if it ever existed), but escorted the buses willy-nilly etraight to the aerodrome at Leninsk, thus making it impossible for any of them to transmit their reports.

o explanation was given for any of these departures from the

plan.
Had the Elysee failed to secure hard and fast promises? Were the local military security men at Baikonur simply ignoring agreements negotiated in Moscow, and acting as all security men prefer to act towards the press? Did the French reporters make matters worse by their loud and protracted cries of protest?

The questions went unanswered, amid the angry din of a clash of two

By appropriate coincidence, the buses carried a large sign in Russian next to

do not argue."

Apart from their professional frustration, and shock at the harsh contrast with the rhetoric of glasnost, several journalists said afterwards that it felt

as though the Russians had deliberately inflicted a political humiliation on France and its President.

This, they speculated, was the concequence of conducting a policy towards the Soviet Union which appeared ways soft and verbers and appeared vague, soft and verbose, and which compared unfavourably in effectiveness with the direct crispness of

Mrs Margaret Thatcher.
President Mitterrand had adopted a compliant attitude to Moscow's desire to host a human rights conference, and had even started to sound complaisant on Mr Gorbachev's favourite theme of "Our Common European Home". But where has it got us, they asked?

Back in Paris, the Elysée earnestly pushed its own up-beat interpretation of the visit: France was pursuing a consistent long-term policy of co-operation-plus-vigilence; it was absurd to think in terms of a competition with Chancellor Helmut Kohl or Mrs Thatcher, when in fact the differences between the European governments were only a matter of small nuances.

The corollary of such an apologia may be thet, in dealing with Mr Gorbachev's Soviet Union, no individual European leader can hope to bring off any great triumph, and may not even be able to afford to pursue an individual policy.

This is not, however, an idea which appears yet to commend itself to the

France opens | Franco-Soviet 'relaunch' fails to ignite media French trade integrated back in the red in October

By George Graham in Paris

FRANCE'S foreign trade account plunged into deficit again last month, prompting renewed concern about industry's export competitiveness. The deficit sank to FFr4bn (\$270m) after a small surplus in Sentember bringing the total The deficit samal surplus in September, bringing the total deficit this year to FFr27.8bn. Imports fell by 2.4 per cent to FFr88.3bn, but exports shrank by 7.6 per cent to FFr84.2bn.

Mr Michel Rocard, the Prime Minister, described the figures as "preoccupying, without being dramatic." He said the trade deficit for the full year would probably reach FFr30bn, close to 1987's FFr31.4bn.

While recent French trade figures have been highly vols.

figures have been highly vola-tile, fluctuating between a defi-cit of FFr9bn in August and a cit of FFr9bn in August and a surplus of FFr600m in September, the trend over recent months appears to have worsened sharply. The deficit has averaged nearly FFr4.5bn a month over the past three months, compared with an average of less than FFr1.8bn in the first half in the first half.

With interest rates pressing upwards in the US and the UK, and with French money market rates already above the

Bank of France's intervention range of 725-7.75 per cent, the proor trade figures increased the pressure on French mone-cuffered from the recent resulting fall of the French Yesterday's figures confirm the divergence in the performance of different sectors.

mance of different sectors.
Another strong surplus of FFR39bn in food and agricullow deficit of FFR50 in energy contrasted with a FFR5bn deficit in manufactured goods.

More detailed statistics for the first nine months show that while trade performance improved by around FFR20bn in food, agricultural and energy products, it deteriorated by FFR20bn in manufactured products.

The Surge in Cornects

threa products.

The surge in corporate investment in the early part of this year was the most significant factor, for within the manment accounted for FF117bn of the deterioration, and consumer goods for only FFr2bn.
This trend may shift in the last months of the year, however.

OECD urges tighter curbs on Iceland

By Robert Taylor in

ICREAND HAS missed several favourable opportunities in recent years to make its econ-omy more stable and less prone to inflation, according to the latest report on the country by the Organisation for Economic Co-operation and

policies are essential if Iceland hopes "to contain inflation and safeguard macro-economic stability over the longer

the country has "entered a stage where external economic

rai, to restore external balance and to check the rise in forofficials doubt the Govern-

the country's familiar infla-

the country's maintar mina-tion cycle.

The OECD report is particu-larly critical of what it regards as a rather loose fiscal and monetary policy in Iceland over recent years, and calls for a curbing of "the excessive rate of domestic credit expan-

Stricter monetary and fiscal term," it says. However, it also warns that

conditions are likely to be less favourable and where the room for fiscal and monetary envre is restricted by oust actions". It urges "greater demand restraint" to prevent the "re-emergence of a price-wage spi-

officials doubt the Government has the political will to stick firmly by its present strategy of relative austerity.

The present wage and prices restraint is due to end in March, and the OECD fears that this could lead to a surge in wage increases next spring, which would provoke a further depreciation of the Icelandic depreciation of the Icelandic kroner and an upward twist in

rate of domestic credit expan-



you need Pitney Bowes fax.

And a bright new feather in your business cap with a Pitney Bowes facsimile machine. It's the only way to avoid communication errors and increase your business' competitive edge.

Our fax sends, or receives, anything on paper...from anywhere...to anywhere...over ordinary telephone lines. Exchange of Information is fast, accurate, dependable, and affordable.

In seconds you see the documents, graphics, handwritten notes, blueprints or typewritten pages necessary to make the decisions that are right for your business. And you'll never get caught with egg on your

We're first in fax - here's why:

-Superior products mean clear, clean reproductions, sent and received in seconds. - Innovative financial alternatives, including rental and leasing.

- A direct sales force trained to analyse needs and recommend solutions.

 Over 50% of all calls to our National Diagnostic Centre are resolved over the telephone.

- Nationwide service from trained engineers In 11 locations.



For more information, call or write to: Rita Burroughs, Pitney Bowes Facsimile, Elizabeth Way, The Pinnacles, Harlow, Essex CM19 5YF. Tel: 0279 26731.



Nº 5240 Wall Street Briefcase £285 Our largest and most substantial briefcase is a handsome choice for any executive. In four classic colours of glove-tanned cowhide. Phone orders welcomed. Call for a free catalogue. The Coachi Shop Makers of fine leathergoods for men and women Exclusive at

> Leather Room, Ground Floor 01-730-1234 ext. 3673 e • Tokyo • New York • San Francisco • Los Ange

The Coach for Business.

OVERSEAS NEWS

over inflation and payments trends

THE GROWTH in Australia's economy shows signs of slowing, according to statistics released yesterday, but its strength continues to fuel concern over the country's balance of payments and inflation

Quarterly growth figures showed that gross domestic product was just 0.3 per cent higher in the three months to September compared to the previous quarter and 29 per September compared to the previous quarter, and 2.9 per cent higher than in the same quarter of 1987. On a four-quarter basis, GDP rose 3.2 per cent in the year to September.

But the figures, which are subject to revision, also confirmed that domestic demand was still driving the economy.

was still driving the economy. The 0.3 per cent rise comprised a 1.7 percentage point increase in gross national expenditure, offset by a negative 1.4 point effect from net exports as imports growth far outpaced

exports growth. Others figures released yesterday on investment and building approvals, and on Monday for retail trade, also suggested an overall softening in the economy. But analysts cantioned against assuming

that the steady tightening of monetary policy begun in April had already taken effect. For his part Mr Paul Keat-ing, the Federal Treasurer, echoed comments he made in an address to business economists on Monday, saying he saw no need to tighten monetary pol-icy further, and drawing attention to subdued consumption spending and the growth in business investment.

Explaining the Govern-ment's position, Mr Keating told his audience that fiscal and incomes policy was carrying as much of the hurden as could be expected, and that the Government would keep monetary conditions "appropriately tight for as long as is necessary to moderate demand growth".

Short-term interest rates were already high in relation to both the inflation outlook

and long-term rates, he said, and there were lags in the effect of tight fiscal and monetary policy. "We are not looking for a sharp slowdown."

Behind this stance is the Government's concern come. Government's concern over both the balance of payments and the inflation rate. Mr Keat-ing confirmed that its A\$9.5bn (£4.5bn) current account deficit forecast was likely to be exceeded, and that the 4.5 per cent inflation forecast for June

1989 was difficult to achieve. But the outlook, he said, was "very promising". Demand may have been too strong, but its pattern has been "highly desirable". The Government's task, he said, was "to manage

Afghan rebel leaders to meet Soviet officials

By Christina Lamb in Islamabad

AFGHAN resistance leaders have announced that they will be holding peace talks with high-ranking Soviet officials in Saudi Arabia tomorrow. The meeting in Riyadh will be the first time that high-level representatives from both sides have sat together in a serious attempt to reach a political solution to the nine-year war. The Afghan delegation com-prises Prof Burhamddin Rab-

bani, chairman of the seven-party resistance alliance, Prof Sibghatullah Mujaddidi, leader of the Afghan National Libera-tion Front, and Mr Abdul Qad-eer Keryab, a close side of fundamentalist leader Mr Gulbuddin Hekmatyar, while the Soviet Union has indicated the seriousness of the talks by sending its key man on Afghanistan, Mr Yuri Vorontsov, Deputy Foreign Minister, the recently appointed ambas-

Saudi Arabia will also take part in the talks, which were

who visited Pakistan in September. They come in the wake of a first meeting between alliance representatives and Soviet diplomats in Islamabad held on Sunday, during which the Soviet side tried to restrict discussion to prisoners of war, a question that the Mujahideen insisted could not be treated in isolation. As a good-will gesture, however, they agreed to the release of four Soviet POWs, in exchange for 100 Mujahideen captured.

The Riyadh talks are something of a victory for the resistance, who throughout the nine-year struggle have refused to deal with the Kabul regime, maintaining that the conflict could be resolved only by direct talks with Moscow.

Western diplomats in Islamabad are cantious about the prospects of a settlement, but high-level sources in Pakistan's Foreign Office believe that there is room for compro-mise and the withdrawal will arranged by a Saudi envoy be complete on time.

I.G INDEX LTD. 9-11 GROSVENOR GAROENS, LONDON SWIW OBD Tel: 01-828 7233/5699 Reuters Code: IGIN, IGIO

FT 30 FTSE 100 WALL STREET
Nov. 1453/1462 -4 Nov. 1784/1794 -3 Dec. 2080/2092 +5
Dec. 1459/1468 -2 Dec. 1792/1802 N/C Mar. 2102/2114 +5

Prices taken at 5pm and change is from previous close at 9pm



Australia worries | Pretoria scraps ban on civil rights funding

By Anthony Robinson in Johannesburg

PRETORIA has quietly bowed to widespread protests from foreign governments and aid agencies and scrapped pro-posed legislation to outlaw for-eign funding of South African civil rights, black empower-

ment and other programmes.
At the same time the constitutional affairs committee of the President's Council has advised President P.W. Botha imposed heavy fines and long jall sentences on offenders. The Government's proposed Promotion of Orderly Internal Politics Act would have ban-ned foreign funding for organisations such as the European Community-supported Kagiso Trust, set up to aid victims of apartheid, or those designed to defend the political, legal and

The bill has now been replaced by the Disclosure of Foreign Funding Bill which merely requires all such groups to disclose their sources of foreign income and have their books audited. Meanwhile, the President's

Council ruling is expected to be followed by a new look at the Group Areas Act and the

The whole question of remaining "petty apartheid" has recently taken on a new dimension following the Conservative Party's gains at last month's municipal elections. This has led Boksburg and other CP-controlled councils to try to restore rigid apartheld, and sparked a backlash from

black consumers.

This is putting the new right-wing controlled councils

determined effort to restore power sumplies from the Portu-guese-financed project.

That meeting, followed by this week's delivery of military supplies, was part of a broad-ranging diplomatic offensive by Pretoria whose regional power status will be signifi-

cantly enhanced once Cuban troops leave Angola. An agree-ment aimed at ending the Angolan war, withdrawing Cuban troops and establishing

independence for Namibia is expected to be signed in Brazzaville at the end of

tone down their racist policies. At the same time, however, the CP has reacted to government criticism by pointing out that thanks to laws such as the

Group Areas and Separate Amenities Act, apartheid remains government policy. Paradoxically, the CP's munici-pal election victories could force the Government to scrap remaining apartheid laws in order to distance itself from its

week African Explosives and Chemicals (AECI), controlled

by the Anglo-American Corporation and ICI of the UK

signed a R920m deal to exploit sode ash deposits at Sua Pan

Eight people were killed in the Central and Southern prov-inces in violence blamed on the People's Liberation Front, an organisation of Sinhalese radi-cals opposed to the Govern-Lesotho mountains to South Africa's industrial heartland on the Witwatersrand. Last

cals opposed to the Government's peace overtures to the Tamil militants fighting for an independent homeland in the island nation, said the sources, who cannot be identified under hriefing regulations.

Three of the eight victims were hanged from lamp posts. Police shot and killed three suspected Sinhalese radicals, including a hardcore militant, in north-western Sri Lanka late on Monday, police said. onMonday, police said.

Sri Lankan

AT LEAST 14 people were killed across Sri Lanka in vio-lence blamed on Sinhalese rad-icals, and in police actions, mil-

itary and police sources said yesterday, AP writes from Col-

violence

claims

14 lives

onMonday, police said.

Three people, including an Indian soldier, were killed in separate incidents in northern and eastern Sri Lanka late Monday, the sources said. The two other victims were not identified.

Iranians counter hostages appeal IRANIAN leaders yesterday parried a plea from Mr Hans-Dietrich Genscher, the West German Foreign Minister, for help in freeing Western hos-tages in Lebanon, by calling

When questioned about how long he thought it would be before the newly delivered trucks were either blown up or comandeered by Renamo, a grizzled Afrikaner army officould be expected until rela-tions with the US improved, sources in Mr Genscher's delecer, watching the unloading of vehicles onto the Beira dock-side replied: "About two

this week. But while experts were hammering out the details over months of meetings in Africa and Europe. President Botha was visiting the leaders of the Ivory Coast, Zaire, Malawi and Mozambique for talks which symbolised South Africa's emergence from its Southern African ghetto. Political progress furthermore has been accompanied by major economic agreements with neighbouring states.

bouring states.
These agreements began last year when Pretoria gave the go-shead to the Lesotho High-lands Water Scheme, a \$5bn project to bring water from the

a fighter aircraft, a senior

competitor, the McDonnell

Douglas F-15. Each FSX aircraft would cost

the Government Y5.15bn

(123m), Japanese officials have

Intelligence groups curbed in South Korea

By Maggie Ford in Secul THE South Kereen THE South Kerean Government yesterday moved to limit the powers of the country's intelligence agencies as speculation grew that a Cabinet reshuffle expected shortly would affect a wide range of senior ministers.

On the eve of the posumption of televised hearings into the regime of Mr Chun Doo Hwan, the disgraced former President, the Government

Hwan, the disgraced former President, the Government amounced that a new bill circumscribing the rights of civil and military intelligence groups would be sent to the National Assembly.

The bill would end the role of military intelligence in civilan matters, and place the budget and personnel appoint-

budget and personnel appointments of the Agency for National Security Planning (formerly the Korean CIA) under Assembly control. The ANSP would be homed from the control of the Ansi would be homed from the control of the Ansi would be homed from the control of the Ansi would be the control of the Ansi would be the control of the contr investigating suspects under the National Security Law. Opposition leaders, students and members of the public have strongly criticised the intelligence agencies for

intelligence agencies for abus-ing power and illegally arrest-ing political opponents of for-mer military governments under the pretext of national

security.

Mr Roh was a close associate of former President Chun who apologised for the misdeeds of his regime last week.

Both projects have been approved by the Southern Africa Development Co-ordination Conference (Saddec) although their net effect is to increase the economic interdependence of the region and South Africa's leading role as the major market and supplier of tachnology. of technology Meanwhile the degree to which Pretoria's supply of military equipment to Mozambique will have a material effect on the course of the Civil War which has wrecked the Mozambican economy remains to be for information on three fram-ans missing there, Renter reports from Tehran. They also told him that no break-through on the hostage issue

sources in Mr Genscher's delegation said,
Mr Genscher, the most senior Western politician to visit Iran since the August ceasefire in its war with Iraq, told reporters Iranian leaders said they were ready to press for freedom of Westerners believed held by pro-Iranian guerrilias in Lebanon. "They indicated they were ready to talk on the hostage matter, but they didn't consider it a priority," he said.

Bhutto sees Soviet envoy

Miss Benazir Bhntto, who appears likely to become Pakis-tan's next Prime Minister, had lunch with Mr Victor Yakunin, the Soviet Ambassador, yesterday at his embassy, Reuter writes from Islamabad. Offi-cials said Mr Richard Armitage. US Assistant Secretary of Defence for International Security Affairs, and Mr Richard Murphy, Assistant Secretary of State, who arrived in Islamabad for a visit yesterday, were expected to meet her today.

Aquino warns

President Corazon Aquino yesterday said the uneven eco-nomic development of members of the Association of South East Asian Nations is threatening the organisation's goal of economic integration, AP reports from Manila.

Burmese train hit Guerrillas attacked a Burmese train south-east of Rangoon yesterday, killing 25 people and injuring 20, Rangoon radio reported, Reuter writes from Bangkok.

Separate Amenities Act which it last year advised should be scrapped in its entirety. other rights of opposition groups and charities, including church groups. right-wing challengers. under unexpected pressure to Areas Acts which would have S Africa mends fences with Mozambique

Military supplies reflect a diplomatic initiative, Anthony Robinson reports

COUTH AFRICA'S new South Africa's new diplomatic offensive to woo neighbouring states took a symbolic step forward on Monday when the SAS Drakensberg, the navy's newest supply vessel, unloaded an estimated Rand 10m (\$2.35bn) worth of "non-iethal" military equipment at the dilapidated

equipment at the dilapidated Mozambican port of Beira.

The recipient of the delivery, which included several dozen South African army trucks, tankers and breakdown vehicles, signals equipment, uniforms, medical supplies and foodpacks, was the hithertometric series. mainly Soviet-supplied army of the nominally marxist Frelimo government. They were handed over by Mr Wynand Breytenbach, Pretotia's deputy minister of defence, for use by a special unit of the Mozambi-

can army.

The unit is being created to guard and patrol the 900 km stretch of electricity pylons which runs from the Cabora Bassa dam on the Zambezi river to Pretoria. No power has passed down this line for the last five years due to sabotage by "armed bandits" of the Mozambican National Resistance (Renamo) which South Africa

Labour and

Likud likely

to join in

coalition

Jerusalem

By Andrew Whitley in

ISRAEL'S new coalition government is likely to be almost identical to its

unhappy predecessor of the past four years, in terms of both policy and political com-

position, senior politicians from both parties confirmed

Following Monday night's

meeting with Mr Yitzhak

Shamir, the caretaker Prime Minister, Mr Shimon Peres,

the Labour leader, is expected today to recommend participa-tion in a national unity gov-

ernment to his party's full

executive comminee.

Yesterday, Labour Party figures were reasonably confident that mutinous rank-and-file activists could be persuaded to accept Mr Shanir's

terms for entry into a govern-ment the Likud chief will

head. These terms include

even representation in the pol-icy-making inner Cabinet as

well as a top post for Mr Peres

- most probably at the Foreign Ministry again.
Mr Yltzhak Rabin, the

Defence Minister, the chief

ing the former coalition, is already guaranteed a further spell in his job, which includes

responsibility for putting down the Palestinian aprising in the occupied territories.

By renewing the policy guidelines drawn up in October 1984, following that sun-

mer's inconclusive general elections, Labour and Likud

have essentially agreed to bury their political differences

in the interests of shutting out the extreme right and most of the ultra-religious parties

According to Mr Ehud Olmert, a close side to Mr Shamir, the likely conlition line-up will embrace the main-

stream National Religious Party and the ultra-Orthodox

their participation will be a

much more diminished role than they had hoped for after the November t elections.

Labour gives the outline agreement its blessing, a Cabi-

net could be inaugurated as soon as next Monday. Before

then, a further summit meet-

ing between the two leaders will probably be necessary. In the interests of bringing

Labour into a broad govern-ment, Likud appears to have made significant concessions.

By putting Mr Peres back in

charge of foreign affairs, for example, it runs the serious

risk of a revival of the Labour

leader's "solo dipiomacr" of

recent years on the Arab/Is-

But this is regarded as a cal-culated, and probably worth-while risk, to enable Mr Peres

to convince his own doubters that the party's peace cam-paign can be salvaged.

None of the options are easy.

Page 24

Mr Olmert forecast that, if

hardi Torah Guardians, or Shas, party. But the price of

advocate to Labour of renew-

executive committee.

now swears it no longer supports. Pretoria's pest denials have been given little credence by the Mozambican government which captured incriminating evidence in 1965 when Zimbabwean and Frelimo army units overran a Renamo base camp at Gorongoza. They found the diaries of the Renamo com-mander which recorded a clan-SHADLAND E

destine visit by Mr Louis Nel, a former deputy foreign minister, and evidence of South Afri-can arms supplies.

Although South Africa has never formally confessed to having broken the 1984 Nko-mati accord, under which it man accord, under which it pledged to cease support for Renamo, its delivery of "non-le-thal" military equipment is partly a plea to let bygones be

we cannot and will not become involved in the domestic affairs of one of our neigh-bours." Mr Breytenbach pledged, as he handed over the equipment to Mr Antonio Branco, Mozambique's Minis-ter of Industry. "South Africa is the stabiliser of the region and would like to expand this role," Mr Breytenbach added for good measure.

The US and Japan officially

agreed yesterday to begin joint development of a new Japa-nese fighter aircraft in an unprecedented project expec-

ted to total more than \$8bn (£4.4bn), AP writes from

Under an agreement signed

by Mr Souke Uno, the Japa-nese Foreign Minister, and Mr Milse Mansfield, the veteran US Ambassador, Japan will bear the cost of planning and produ-cing the highly sophisticated

warplane, to be developed jointly by US and Japanese

The question of US participa-

between the two allies. Japan

joint project to trim Japan's

companies.



Mozambique's original hopes of improved security and bet-ter relations with South Africa were frustrated when Renamo stepped up attacks throughout the country in the wake of the Nkomati Accord. Relations reached a new low after the death of President Samora Michel in an air crash on South African soil two years

But at a summit meeting close to the Cahora Bassa dam on September 15, President P.W. Botha and Mozambique's President Joaquim Chissano pledged to give new life to "the spirit of Nkomati" and make a

JOINT DEVELOPMENT OF FSX

US and Japan agree fighter deal The two sides reportedly agreed in June to allocate Heavy Industries and Fuji Heavy Industries, also were between 35 per cent and 45 per cent of the development to US companies, but Mr Kichiro ted subcontractors. The project marks the first time the two countries have combined their defence tech-Tazawa, the chief of the Defence Agency, said yester-day that the details of the nologies to develop jointly

division of work between the two countries will be decided Defence Agency official The jet fighter, named the FSX, will be based on General Dynamics' P-16, according to a by Mr Charles Brown, director of the US Defence Security Assistance Agency, and Mr

tion in the project had been a focal point of trade friction In the two documents, the originally sought to develop the jet using only Japanese companies and technology, while US officials pressed for a huge trade surplus with the US.

The Japanese technologies expected to be incorporated in the sincrest include sophisticated radiat, advanced materials and a special auxiliary wing to enhance manoeuvrability. The US side is expected to develop a special engine with increased power.

The Defence Agency earlier said the F-16 would cost less to Defence Agency's equipment redesign to suit Japanese requirements than its closest

Defence Agency named Mitsu-bishi Heavy Industries of Japan the prime contractor and General Dynamics of the US a subcontractor for the project. Two other leading Japanese companies, Kawasaki

South Koreans overhaul Swiss in trade

SOUTH KORRA'S foreign trade is expected to top \$110hm (260hu) in 1988, taking it above Switzerland into 11th place in the ranks of trading nations. Trade Ministry officials said yesterday, Reuter writes from Second.

Two-way trade in 1985 was set to reach the \$100bm mark

by Tuesday night and would total about \$112bn by year's end, they said. Last year trade was worth \$88.35n. Laisst forecasts put South Korea's 1968 exports at \$59.5bm and imports at \$52.5bm, com-pared with last year's exports of \$47.3bm and imports of

\$47.3bn and imports of

per year thanks to brisk exports of electronics, steel products, cars and footwear, one trade official said. But we are worried about heat year's performance. There are signs of slowdown in exports of textiles and toys," he added.

Algerian reforms throw up key questions

Francis Ghilès reports on a brave attempt to change the way the country is governed

ANY Of Algeria's 23m people may still be sceptical, but the sixth Congress of Algeria's ruling party, the Frunt de Liberation National, appears to have made history this week. It endoused a series of reforms whose aim is to separate the FLN from the state it has governed alone whose implementance was wrested. alone since independence was wrested from France in 1962.

Managing the FLN will no longer be in the hands of the head of state, but

the latter remains president of the party. People who do not belong to the FLN are to be allowed to stand in local and parliamentary elections but no other party will be allowed in the near future. This issue is to be left to an extraordinary party congress next year and then submitted to a referendum. This is ironic since it is obvious that the vast majority of Algerians would endorse multi-party democracy tomorrow, given half a chance.

Laws governing the media are to be rewritten, and senior Algerians insist in private that the greater freedom of recent weeks is here to stay.

The Congress also endorsed President Chadli Benjedid as its candidate for a

third term of office. The President has often been thwarted in his attempts to reform the rigid political and economic system he inherited in 1979. But since iast month's riots, he has staked out his position much more boldly, kept the momentum for change going, and con-vinced the FLN to endurse bless which were anathema to many of its members only a few months ago.

Many of the 5,000 delegates, who included at least 500 army officers, obviously felt they had little choice. Few have forgotten that only six weeks ear-Ler, in towns and villages across the



Chadit: kept momentum guing

country, demonstrators carefully avoided burning and looting private shops, but systematically destroyed FLN party premises and attacked police

Officially, the party is reverting to being a "front", that is the broad "church" it was from 1954 to 1962, when different currents of thought could express themselves. But even in those days the only issue which ever unified the party was the idea of an indepen-dent Algeria.

Much depends in the months to come on whether Algerians who do not belong to the FLN, particularly among the younger generation, choose to join the party. The FLN is also attempting

A COMPANY OF THE PROPERTY OF

Three other questions, however, will have to be answered, if the reforms endorsed by this week's Congress have a chance of succeeding:

Will the authorities really tackle corruption, which has spread fast and visi-bly in recent years among audior Algeri-ans, at a time when the purchasing power of ordinary people has fallen sharply? How can an agricultural

reform aimed at encouraging produc-tion of badly needed food (Algeria imports roughly two-thirds of what it consumes every year) succeed if long leases on hitherts state-owned land are systematically attributed to friends of ministers and former "freedom fighters", rather than those who have tilled

the land since 1962?

The arrogant display of wealth of the new rich will bring people out on the streets again, if an end is not put to it. On this point, all Algerians

• Will a Government which includes more competent ministers than most of its predecessors since 1979 appoint truly competent people, of which there is no shortage, particularly among the younger generation of technocrats, to jobs in public administration and state

Some ministries, such as the key Ministry of Finance, present a sorry specia-cia. The World Bank itself is pressing hard for reforms in the banking sector and at the Central Bank because it is frustrated by the excruciatingly slow process of disbursing money for pro-

In the oil and gas industry, the stew-

Elections will now decide who occupies any post of responsibility. Such people will no longer be appointed from the top.

Three other questions, however, will be successor, Mr Sadek Boussena, has been appointed to the successor. Mr Sadek Boussena, has been appointed to the successor. Mr Sadek Boussena, has been successor. Mr Sadek Boussena, has been successor. been warmly welcomed.

Deen warmly welcomen.
Will managers be allowed to manage and take decisions, even unpopular ones? In particular, will the Government and the FLN rid the country of the four-year-old Statut General du Tra-vailleur, which imposes a rigid grid on salaries of every trade and grade across the country. The SGT code is a truly surrealistic document, which has done considerable damage to industrial out-

There is also a question relating to the private sector. By one of those para-doxes Algeria abounds in, private entre-preneurs had a much easier time in the days of former President Bounediene's hard-line socialism, during which they were officially considered parasites, than today, when their contribution to the economy is openly praised. Shortages of supplies and spare parts mean that many are working at one-third of their capacity. Yet such people often make the consumer goods and pro-cessed foods whose very shortage has been so keen't felt been so keenly felt.

第一次的证明,

ln his report to the Congress, President Chadli called for an end to "empty slogans". Maybe he was referring to the one that beams out at night from the roof of the Ministry of Industry onto the gardens of the El Diszair hotel, saying.

"Le transal et in timeser pour operation." "Le travail et la rigueur pour guarantir l'avenir" ("Hard work and rigour to

guarantee our finture"). More than ever, the capacity of the head of state to implement such principles and get Algerians back to work will decide the

that happens most

FINANCIAL TIMES WEDNESDAY NOVEMBER 30 1988

Lanka

ence

lives

recent walker

Although government legislation requires all car manufacturers to test for 100% head-on collision, Mercedes-Benz also carry out additional head-on collision tests when the impact is concentrated on 40% of the car's frontal area. In Germany for example,

research has shown this accident happens three times more frequently than 100% head-on collisions. As a result, all Mercedes-Benz safety cells and crumple zones are now engineered to disperse the unique stresses of both types of collision. Which means impact energy is absorbed progressively and displaced into forked longitudinal members mounted

onto extremely rigid sidewall, floor pan and transmission tunnel structures. The energy is therefore dissipated by being trans- their cars for the accident mitted and absorbed in three different directions.

This is a fine example of Mercedes-Benz research and engineering taking the lead in safety development.

interests, Mercedes-Benz allowed it to be infringed in everybody's interests, so other car makers could incorporate the idea into their own body designs A gesture that speaks for itself.

In 1959, Mercedes-Benz became the first manufacturer to systematically crash test and roll-over test their cars. In that year, 80 were destroyed in



the search for greater passenger security. Since then no car maker has placed greater emphasis on crash testing, and many others reap the benefits simply by adopting the results of Mercedes-Benz Mercedes-Benz design

pioneering research.

Computer-aided engineering, combined with extensive use of high strength, low-alloy steel, ensures that Mercedes-Benz monocoque body shells are not only light, but are also outstandingly strong Such a highly rigid shell is the basic safety element.

> its front and rear sections designed to yield progressively in major accidents. They absorb kinetic energy and divert the full force away from the passenger safety cell. Strong cross-members are built into the floor pan to stiffen further the safety cell's resistance to side impact. Additional single section

roof frame cross-members enhance the total load bearing capacity of the roof in front, side and roll-over impacts.

HOW THE USE OF AIR CAN REDUCE INJURY RISK

All inertia-reel safety belts fitted to the front seats of Mercedes-Benz cars, have electronic belt tensioners as standard. Above a predetermined level of impact, the tensioner is activated and pulls the belt taut around the body in milliseconds, reducing forward movement of driver and front seat passenger. Above certain speeds, however, impact injuries can still occur no matter how sophisticated the seat belts are.

Therefore, Mercedes-Benz also offer INFLATION IN IN SIGNAL TO INFLATION IN IS SIGNAL TO INFLATION IN IS SIGNAL TO an electronically controlled airbag that is neatly stowed in the steering wheel hub. This innovatory safety feature has been available since 1981 and is already fitted to 400,000 Mercedes-Benz cars. A normally invisible guardian, it inflates in milliseconds. under impact, to cushion the driver's head and areatly reduce the risk of chest injuries. Further proof that the Mercedes-Benz commitment to safety is uncompromising, and continues unabated.

A CRASH TEST EVERY THREE DAYS

Mercedes - Benz conduct a crash test every three days, on average. Because safety research is an integral part of the Mercedes-Benz design process, many tests are conducted on components and prototypes prior to full scale production of a

new model. Consequently, the safety development team are well placed to impose their priorities on the fundamental design of a car. Today's Mercedes-Benz models are the most thoroughly tested and safest the company have ever built.

The Mercedes-Benz safety steering system, as an example, is fitted with a distorting cup within the steering wheel, and a collapsible, corrugated column that will not intrude into the passenger compartment in either a head-on or off-set collision. Nor can the clutch or brake

pedals behave like blunt instruments. Because of the likelihood severe

accident injuries to the feet, the pedals are designed to swing away from the driver on impact.

THE FATHERS OF AUTOMOTIVE SAFETY

The history of Mercedes-Benz safety consciousness dates from 1931 when they developed independent front suspension to ensure safer roadholding. And as long as thirty-seven years ago, long before "crumple zone" and "safety cell" became part of car industry jargon, Mercedes-Benz patented the first Impact-absorbing body shell. But rather than protect the patent in their own



ENGINEERED LIKE NO OTHER CAR IN THE WORLD.

AMERICAN NEWS

Senate Democrats elect Mitchell as leader

By Stewart Fleming, US Editor, in Washington

SENATOR George Mitchell the 55-year-old Democrat from Maine whose leadership of the Democratic Senatorial Campaign Committee helped his party retain control of the US Senate in 1986, was yesterday elected Senate majority leader.
The vote among the 55 Senate Democrate confirmed expectations that with the party facing a third consecutive term out of the White

House, Senate Democrats

would turn to a man who they believe has the capacity to be a

forceful public spokesman.

The majority leader plays a key role in setting the party's legislative strategy in the Senate. He is ultimately responsible for establishing the Senate's agenda and for developing parliamentary tactics which can play an important role in determining legislative priorities and the outcome of votes on important issues.

Senator Robert Byrd, whom Mr Mitchell will replace, was a past master at manipulating

parliamentary procedures to his party's advantage. But increasingly the Democrats have recognised that their long years out of the White House have made it even more important for their leaders on Capi-tol Hill to be persuasive public speakers, especially on talevi-sion, on which Senator Byrd never seemed comfortable. Mr Mitchell, on the other hand, made a strong impres sion questioning witnesses dur-ing the Iran-Contra hearings in 1987. A former federal judge, he came across as a man of integrity and a voice of common sense.

It is unwise to read too much into the selection of a majority Leader so far as party policy is concerned because in an intimate collegial body such as the Senate, personal relationships, as well as broader policy con-siderations, will have influ-enced how senators voted.

Mr Mitchell is a moderate north-easterner considered slightly more liberal than the

other two candidates, Senator Daniel Inouve of Hawati and the conservative southerner, Senator Bennett Johnston of Louisiana. He may have been been helped by the emergence during the presidential cam-paign of Senator Lloyd Bentsen of Texas as a party leader with national stature. Some Senate Democrats may have felt that, with Mr Bentsen as a voice for the more conservative southern wing of the party. Mr Mitchell would provide regional and political balance.

debt conversion deals and

\$450m has been already been approved under the scheme. Negotiations are under way for

US growth rate revised upward

By Anthony Harris In

MARKET expectations of tighter US monetary policy rose yesterday after nava of an anyward revision in the official third-quarter estimate for real growth, and a call for continued monetary discipline, from Mr Wayne Angell, Fedfrom Mr Wayne Angell, Federal Reserve governor.
US real Gross National Product grew at a revised annual rate of 2.6 per cent in the third quarter, up from a first estimate of 2.2 per cent. Consumer spending on non-durables, and write increases, were revised price increases, were revised upwards; the fixed-weight GNP deflator rose at a 5.1 per cent rate, against a first estimate of 4.9 per cent.

GNP estimates are fre-

GNP estimates are frequently revised upwards as more information becomes available, and the changes were slightly below market expectations. However, current reports suggest a sharp rise in growth and in consumer demand in the final quarter of the year, and the rise in base lending rates on Monday was generally expected. Further increases are foreseen.

Peru strike call

PERU'S largest union association, the General Confederation of Peruvien Work-ers, has called for a general strike tomorrow to protest at the Government's economic policy, writes Veronica Baruf-fati in Lima.

The strike will serve to intensify industrial unrest. Yesterday striking miners, bankers, textile workers and state urban transport workers demonstrated in Lima. The health sector is on strike today and the National Teachers on has called for a 24-hour

IBM settlement stresses key role of software

OPERATING software, the complex and sophisticated computer programs which manage the inner workings of a computer system, once came free. Manufacturers bundled the cost of the operating software in with the price of the computer hardware it con-

trolled.
Then International Bu Machines, understanding the growing contribution to its revenues that software would represent, in the late 1960s began charging separately for hardware and software.

ware and software.

In doing so, it gave birth to the independent software industry and sowed the seeds for its long-running legal row more than a decade later with Fujitsu, Japan's leading maintrame computer manufacturer.

The announcement yesterday of a settlement through which the Japanese company will pay IRM a lump sum of \$395m (£215m) for copying important elements of IBM's mainframe operating software. mainframe operating software, in addition to more than \$400m already paid in licence fees, underlines the growing realisation that software, not hardware, is now the key to com-puting systems development. Fulitsu is a plug compatible manufacturer. It makes com-puters which are functionally identical to IBM's in that they

can run IBM's own, legally pur-chased, operating software although they are of different technological design. Clone-manufacturers – chiefly in the personal computer area personal computer area — make computers which are technologically identical to IBM's. IBM has often taken legal action against these. Fujitsu's customers reap the benefit of lower pricing and technological sophistication with Fujitsu would claim, gives better per-formance than IBM's own

Alan Cane on the back-

ground to the dispute

hardware. A royalty has to be paid on each copy of the operating software used, of course, and the performance of the operating system - over which IBM has total control limits the overall performance of the system.

of the system.

In the early 1988s Fujitsu unnicked the complex threads of IRM's system and wrote its own, copying significant chunks and prodding the world's dominant computer company into legal retaliation.

It has proved a sound strategy. For a comparatively modest payment Fujitsu has manest payment Fujitsu has man-aged to pry loose IBM's grip on its most precious asset giving it the right to examine and replicate important pieces of IEM's "source code", computer programming instructions written in languages human programmers, through not computers, can understand. Source code is the raw material for modifying or improving computer programs.
On the other hand, IBM has

On the other hand, IBM has managed to prevent the Japanese company having anything like full access to its software secrets, its "fundamental and extraordinary eoftware advances" as the company put it yesterday.

The comparatively moderate settlement should smooth the feathers of many in the US software industry who were agnest that a Japanese comparatively moderate settlement should smooth the feathers of many in the US software industry who were agnest that a Japanese

aghest that a Japanese com-puter company would be able to have access to IBM software secrets that they were denied.

Populist Perez draws Venezuela's voters

Polls put the former President ahead before Sunday's election, writes Robert Graham

has always been a hazardous exercise. But the polisters and pundits have thrown cantion to the winds by predicting universally that Mr Carlos Andres Perez, the 66 year-old Accion Democratica (AD) candidate, will win Sunday's poll and become the first person in Venezuelan history to be twice

Reliable opinion polls give him a 15 point lead over his rival, Mr Eduardo Fernandez, the Copel party candidate. Mr Perez is himself more cantious and has been frenetically criss-crossing this vast country to ensure last-minute support.

If he wins, "CAP" as he is universally known, promises a populist style of leadership with a home-grown socialist philosophy. Colleagues say he will temper populism with pragmatism, acting as a Latin American version of Mr Felipe Gonzalez, the Spanish Premier. Detractors maintain he still behaves as if Venezuela possesses boundless oil revenues, with attitudes conditioned by an outmoded sympathy for state interventionism.

He is openly ambitious for Venezuela to adopt a higher international profile both on oil matters within OPEC and on foreign debt. It was he who pushed through nationalisation in 1976 of the oil industry. Mr Perez would like to see greater Latin American co-ordination on deht and would seek better terms for the restructuring of Venezuela's own \$25bn public sector for-

ipping the winner in advance of a Venezue-lan presidential election always been a hazardous cise. But the polisters and litts have through certification in Venezuela's current high debt service ratio. Both he and the 48-year-old Mr Fernandez have thrown seemingly unlimited resources into a tough and at times dirty campaign that has lasted for the better part of a year. Tele-vision, the press, city streets and small towns have been del-

"CAP" is projected as "El Presidente", the responsible statesman with experience of government. On the campaign trail he harks back to the period of plenty when he was in office from 1974 to 1979. Oil earnings this year are down to \$7.2bn, less than half the size under his administration. At a time when all but the wealthiest of Venezueians are feeling the pinch from aus-terity and the limitations of a declining bolivar, Mr Perez's message strikes a responsive chord of nostalgia.

Mr Fernandez, a pugnacions lawyer dubbed "El Tigre", has had an uphill struggle to find the right kind of image. He started out promising a genera-tional change and fresh ideas that challenged the state's traditional paternalistic role and the nation's reliance on oil But his initial impact has largely evaporated. He has also failed to capitalise on Mr Perez's vulnerability to complaints of corruption under his administration.

The final weeks of the campaign have become bogged down in a jingoistic argument over which future president



Perez: last-minute efforts

would best defend the national interest in Venezuela's vered frontier dispute with Colombia. The dispute over territory at the entrance to Lake Mara-caibo (through which the bulk of Venezuela's oil exports pass) brought the two countries close to conflict in August 1987. Mr Fernandez has seized on remarks made by his rival to the effect that "CAP" would k a reasonable compromise with Colombia. With national feeling running high over the incursion of Colombian guerrilla and drug activity into Venezuala, these remarks have

been exploited mercileasly.
Indeed, if "CAP" were to lose
the election, it would be a mixture of a desire for a genera-tional change combined with the negative impact of the frontier issue. Certainly, the issue could lose AD votes in the congressional elections

which are also on Sunday. The matter has been aggra-vated by the continuing rever-berations of an incident along the Colombian frontier on the Colombian frontier on October 29 when Venezuelan security forces killed 14 persons alleged to be guerrillas. Two survivors of the shooting, now seeking political asylum in the Mexican embassy in Caracas, said they were unarmed fishermen. The bodies were exhumed over the weekend exhumed over the weekend after a public outcry and preliminary evidence suggests they had been shot in cold blood.

In a country long unused to such violence, the AD govern-ment of President Jaime Lusin-chi has been profoundly embarrassed by the incident, while the military are under attack for an attempted cov-

er-up.

"CAP" has done his best to distance himself from the gov-ernment on the matter, high-lighting one of the curious Though AD is in government, Mr Perez'e relations with President Lusinchi have been at best cold and at times hostile. As a result there appears to be little co-ordination

between him and the present government, particularly where economic policy is con-The Lusinchi government's economic policy has been in a state of drift for over 18 months. Reserves have fallen below \$8bn - high by Latin American standards hut low

Belatedly the mechanisms have been introduced to permit

resh funding from the banks to the tune of \$1bn hy discounting oil receivables. In addition, a large losn is being explored which would be pledged against the sale of future gold production. Either way, the country will have to borrow more from an international financial commu-nity aware of Venezuela's huge

oil and mineral wealth but wary of the kind of campaign commitments made by "CAP" to promote economic recovery amid hints of higher wages. The main plank of his economic strategy is to establish a social pact between the govern-ment, labour and the business

community both to control inflation and stimulate a recovry. President Lusinchi achieved such a pact during his first two years, relying on AD's support in the labour movement to impose susterity. This dose of austerity pruned some of the fat from the system, encouraged import substitution in agriculture and attracted fresh foreign investment, particu-larly into the expanding sluminium industry. However,

during the past year much ground has been lost. Whoever inherits the presi-dency for the next four years faces some uncomfortable economic decisions. "CAP" undoubtedly has more stature than Mr Fernandez to carry these decisions through but this is not the basis on which he has gone for the vote.

Walk-out threatens Salinas ceremony

TOMORROW'S inauguration of Mr Carlos Salinas de Gortari as President of Mexico is threstened by an opposition walk-out ened by an opposition walk-out reminiscent, of one which dis-rupted the state of the union message of Mr Miguel de la Madrid, the outgoing head of state, on September 1, writes Richard Johns in Maxico City. Such a protest by the broad

WHAT could have been the most successful example of Far East investment in Puerto Rico

has turned out to be an embarrassing fiasco for Governor Rafael Hernandez Colon, for

hilled as a good example of Far East investment in this US pos-

Tokyo for the past 12 years, Puerto Rico can boast only

Rico, the US and China, as well as Hanae Mori, e well-known Japanese fashion designer.

As originally envisaged, a factory run by tha Beijing Wool Knitting Industry would process raw cashmere into yaras of various colours. The yara would then be flown to Puerto Rico and trucked to a factory in the eastern town of Rio Grande. There, some \$50 workers would assemble the sweeters for shipment to high-fashion outlets around the world, where they would fetch between \$200 and \$600 apiece.

Fomento backed the project, while Puerto Rico's Government Development Bank

left National Democratic Front (FDN) would be even more embarrassing given the pres-ence of several Latin American heads of state and foreign min-isters including Mr George Shultz, US Secretary of State. The FDN says that the 144 deputies of its constituent par-ties will leave the joint session of Congress, unless the ruling

Party agrees to an address by Mr Cuauhtémoc Cárdenas, the FDN leader. Mr Cardenas would focus on the opposition's refusal to recognise the valid-ity of Mr Salinas's election. The PRI says that the decla-ration should be made before the Chamber of Deputies prior to the joint session.

WORLD TRADE NEWS

assemble aircraft in US

By Michael Donne, Aerospace Correspondent

FOKKER, the Dutch aircraft manufacturer, is discussing with Lockheed the possibility of the US aircraft group under-taking final assembly of the Fokker 100 twin-engined jet airliner in the United

Although there are many details still to be settled, both sides are optimistic that an agreement can be reached, so that a second assembly line for the short-to-medium range 109seater airliner (the current line is et Schiphol, Amsterdam) could become operational hy the early 1990s, probably either in California or in

With current orders for 206 aircraft, of which 118 are firm and 88 are options, demand for the Fokker 100 is rising. Fokker is increasing its own assembly rate steadily, from 38 sircraft a year to 48 a year hy

That is the maximum their That is the maximum thet can be achieved on present facilities at Schiphol, and to raise it further to between 60 and 70 aircraft a year will require additional factory space and equipment. Additional land at the Schiphol plant has already been ecquired, and plans for new facilities there are being prepared.

actives there are noting pre-pared.

The aim of a US assembly line – with parts supplied by existing component manufac-turers – would ha to strengthen the Fokker base in the North American market.

Fokker has already won orders from US Air, and from two Canadian airlines, Inter Canadian and Wardsir. Fokker sees a big potential for its new jet airlines in North America, but believes that to exploit that market fully it

needs a major assembly facility The expansion of the Fokker 100 production facilities will bring good business to the UK acrospace industry, because all Fokker 100s are powered by Rolls-Royce Tay jet engines, and their wings are built by Short Brothers of Belfast, with other UK companies supplying components and equir

Fokker may | Malaysian warning to US | US rejects | Unhappy yarn of a sweater and EC on protectionism

will be forced to form their own trading bloc linked with Japan, if the US and the EC persist with protectionist poli-cies, Dr Lim Kheng Yaik, Mal-aysia's Minister of Primary Industries, warned yesterday. Dr Lim said that in the two years since the current Uru-guay round of multilateral trade talks was launched at Punta del Este under the auspices of the General Agreement on Tariffs and Trade (Gatt), trade issues had become virtually a "North-North" debate, using the countries of the South as no more than an audi-

"The sonthern countries would be willing partners to the debate, if permitted, but the North-North development is now getting nonsensical. The closed economies are opening up, and the open economies are closing up," he said.
"I would prefer multilateral trade, rather than trading blocs. But the US and the

European Community are pushing other countries towards forming blocs. Japan is opening its economy up.

The Japanese are now the ones who listen and have shown they are willing to change, especially on agricultural products and tropical products. The Association of rural products and tropical products. The Association of South-East Asian nations has opened up. Who pushed Asean that way?" he said.

Melaysia, which is the world's largest producer of natural rubber, palm oil, and tin, is also a major producer of cocoa, pepper and timber.

The commodity sector, excluding oil and sas, accounts for

ding oil and gas, accounts for 38 per cent of Malaysia's export carnings. Its exports of palm oil, plywood and camed pine-apple face particularly high tariff barriere in the

Attempts, so far unsuccessful, have been made in the EC to introduce a levy on vegetable oils and fats.

This would help fund the

Common Agricultural Policy and give the offive oil of BC countries, like Greece and Spain, a further advantage over Malaysian pain oil. The levy was blocked by a minority group of Holland, Denmark, Britain and West Germany, "In spite of the great efforts, particularly of Britain and Germany, the protectionist tendency remains. I am not convinced that the creation of a single internal market in 1892 will make matters better. In

will make matters better. In fact, I think protectionist barri-ers may get worse," Dr Lim

In addition to large export subsidies, which Dr Lim says are depriving countries like Malaysia of their legitimate market share, the palm oil ministry has also faced a major campaign in the US hy the American Soyabean Associa-

On the other hand, South Korea had reduced the duty on palm oil and Japan had abol-lahed it.

bearings

THE US Commerce
Department has rejected calls
to limit imports of ball bearings, saying domestic producers are operating at or near
100 per cent capacity, AP

Stewart Fleming adds from Washington: The Administration decision reflects the improvement in the industry which has taken place in recent months as industrial output in the US has recovered under the impact of forincreasing domestic and foreign deniand.
The fact that the US bearing

industry is now working so close to capacity that foreign imports are needed to satisfy demand is a further indication of the difficulty the US faces in continuing to reduce its trade deficit at a time when the economy is expanding

factory without thread

Larry Luxner examines Puerto Rico's problems in attracting investment from Asia

a decision soon.

Far more promising is an unrelated plan by Peking's arch-rival, Taiwan, to invest an unspecified sum in an existing the island's Romanic Develop-ment Administration (Fom-ento), and Mr Richard Millman, the investor who first developed the idea. The project, a joint-venture cashmere sweater plant known as MTEX Puerto Rico, was session. To date, despite the presence of a Fomento office in four Japanese companies with factories, and none from Asia's "four tigers" — Taiwan, Hong Kong, South Korea and Singapore. (in contrast, the lowerwage Dominican Republic has attracted 15 South Korean companies and Jamaica 10) penies and Jamaica 10.)

The MTEX project involved the governments of Puerto Rico, the US and China, as well

Bafael Remander Colinc embarrassing fisses Puerto Rico's first locally manufactured acroplane. This air-craft is a 65 center, the BB-2000.

craft is a ef-seater, the RR-2000, designed for civilian and military use by Evemon Aircraft. Company, and is still at the prototype stage.

Taiwan which, until now, has had no direct investment in Puerto Rico, would assume a major equity in the Bromon Aircraft project in Aguadilla, in western Puerto Rico, under the teams of a deal now being reviewed for final approval by the GDB.

The institution has already limit Bromon \$30m with an

Bout Bromon \$30m with an Rint Bromon \$30m with an equal amount coming from General Electric, which will supply engines for the aircraft.

"Together with General Electric, there has been very strong interest by the Republic of China in participating in the senture as abother financing entity, in exchange for a certain part of future sales," and in Jose Ramon Gonzales, GDB president.

president.

Rroman already employs 160 people at a the former Ramey US Air Force Base, and hopes to begin production of the BR-2000 sometime next year, on cartification by the Federal Aviation Administration. Plans

call for as many as 1,000 work-ers within five years and the production of 600 aircraft over 15 years.

While declining to give any dollar figures. Mr James Brown, Bromon'e president, pointed out that Bromon had been marketing the concept of which would lessy the factory, said to be one of the most advanced of its kind in the world, in the hands of MTEX. The agency is studying the proposal and its expected to make a decision some

been marketing the concept of the BR-2000 throughout the

the BR-2000 throughout the BR-2000 throughout the Pacific Rim and that he has had a "dialogue" with the Taiwanese government for more than three years.

Last month, the Philippine Air Force said it would order several BR-2000 planes.

The major reason more Far East companies are not manufacturing in Puerto Rico is simple: high wages. Unlike Jamaica or the Dominican Republic, both of which have average wages of only \$3 a day. Puerte Rico complies with the Sederal minimum wage of \$3.35 an hour. Despite repeated trips to Japan and other countries, Mr Antonio J. Colorado, Fomento Administrator, has been unsuccessful in getting Far East investors to overlook the island's high wages in favour of Puerto Rico's political stability and duty-free entry into the US market.

Of the four Japanese compa-

US market.

Of the four Japanese companies in Puerto Rico, two are purent companies of local tima canneries: Mitsui, which employs 750 people at its Neptune Packing subsidiary in Mayaguez, and Mitsubishi, which also employs 750 workers at its Caribe Tima cannery in Posce.

in Posce.

A third company, Matsushita Industrial Electric, employs 500 people in Caguas, in the menufacture of wooden housing and components for Panasonic speaker systems. The fourth company is Japanese-owned -- Wacoal, a garment maker.

However, Fomento does see a pright spot on Japanery 1, the "four tigers" will be removed from the US Generalised System of Preferences -- a move

tem of Preferences — a move Colorado says could trigger new Far Rast investment. They realise that the US wants more goods manufac-tured in the US and less manu-factured outside," he said. "Puerto Hico, for that purpose, is part of the US, and is the place where you can usunfacture at the lowest cost and with the best advantages."

Brazil plans reforms in bid to end unofficial exchange rate

By Ivo Dawney in Rio de Janeiro

considering creating a new Cruzado exchange rate aimed at capturing millions of tourist dollars that escape the formal economy and boost the black market

Also under discussion at the Finance Ministry is a scheme to create an "export" dollar rate – higher than the current official exchange rate – as compensation for sharp cuts in property of the scheme of the schem spending on export subsidies and incentives. Concern has been mounting

in recent months at the high margin between the black and official dollars. Yesterday, the euphemistically-named "paral-lel" rate was C2920 to the dollar against the official rate of

Brazilians travelling abroad are allowed to buy \$1,000 at the official rate, but they supplement this with purchases of black dollars at the technically illegal but ubiquitous exchange counters found in all major cities. Similarly, many incom-

ing tourists never enter a bank, but change their dollars through the parallel network. This multi-million dollar business has been inflated substantially in recent months by the so-called informal debt conversion system. Such conversions have allowed foreigners holding credits at the Central Bank to accept payment in cru-zados, then re-export them by buying dollars in the black

Ministers eitting as the National Monetary Council will discuss a new tourist dol-Mr Mailson da Nobrega, the Finance Minister, has also revealed that studies are under way into the benefits of a new dollar exchange rate for exports. At present, the Central Bank pays exporters for their foreign sales at the offi-

cial rate. The minister believes that if something closer to the higher, free market rate were paid, the government could cut costly

export subsidies and make large savings for the public sector deficit. An inevitable consequence of such a change, however, would be new inflationary pressure

be new innanonary pressure from increased monetisation in the economy as larger eums are paid out by the Central Bank. However, Mr da Nobrega claims. The effect on inflation would be less than in the case of a maxi-devaluation." A Finance Ministry official said yesterday that while the tourist dollar issue could be discussed by the National Monetary Council CMN, the export dollar proposal remains some way from implementation.

President Jose Seman of

 President Jose Sarney of Brazil flew to Argentina on Monday for the latest round of talks with President Raul Alfonsin on integrating their

At the centre of the talks will be measures to reduce Brazil's substantial trade surplus which last year exceeded

import curb on ball

reports from Washing

The decision follows a joint study by the Commerce and Defence departments.

The Commerce Department had found in July that US ball bearing manufacturers would not be able to meet national security requirements in the event of a major conventional

But President Ronald Bea-gan in August tentatively ruled out limits until the joint study could be completed. The Administration wanted to ensure that the demestic bearing industry would be suf-ficiently healthy to meet pro-duction needs in the event of an emergency, without the United States having to rely on outside supp

Mr Marlin Pitzwater, the White House spokesman, said the joint study found that conditions in the domestic bear-ing ladustry had improved significantly in the last several

significantly in the last several months.

His statement said that it was concluded that Administration initiatives should be adequate to bring the domestic industrial base into an acceptable posture for national security purposes.

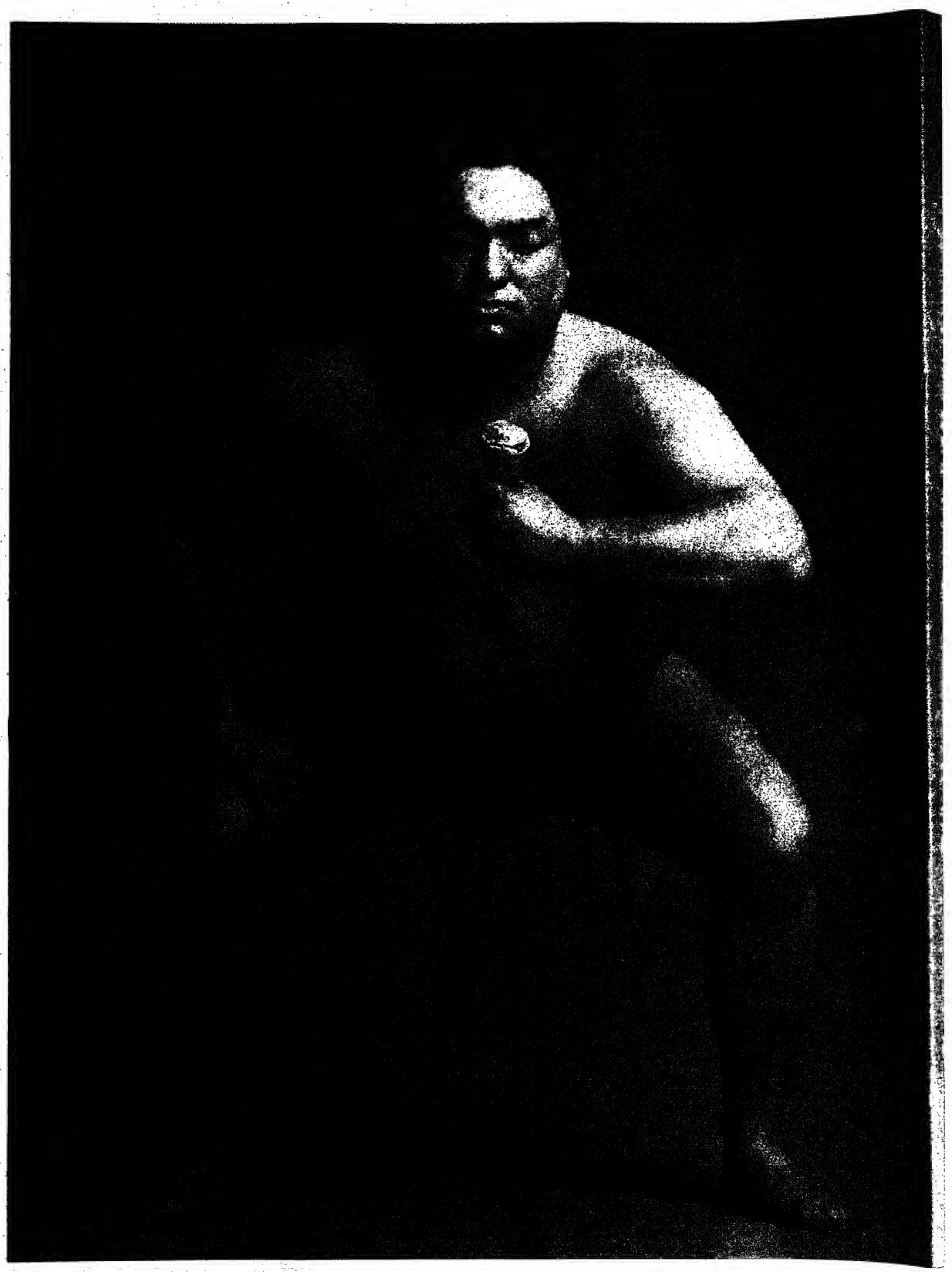
He william Verity, the Commerce Secretary, said that Mr Reagan's decision was made after a thorough review of the impact of bearing imports on national security.

Starraget Flaming adds from

while Puerto Rico's Govern-ment Development Bank (GDB) put in \$6.1m in loans and the Mismi-based Capital Bank provided \$4.3m in letters of credit to purchase West Ger-man and Japanese machinery for the \$5,000-eq it factory. for the 45,000-sq ft factory.

The problem was, however, as Mr Millman discovered during a visit to China, that the Peking plant was still under construction long after the Rio Grande facility was ready to produce. Because of pressure from the US government, the GDB has delayed foreclosing on the protect.

on the project. Earlier this month, Mr Miliman, president of the Washing-ton-based Transworld Group, submitted to the GDB a plan



Only Allied-Lyons could have discovered such an enormous market for green-tea ice cream.

tea ice cream to cater for local mango is a hot favourite.

role

12.524 522

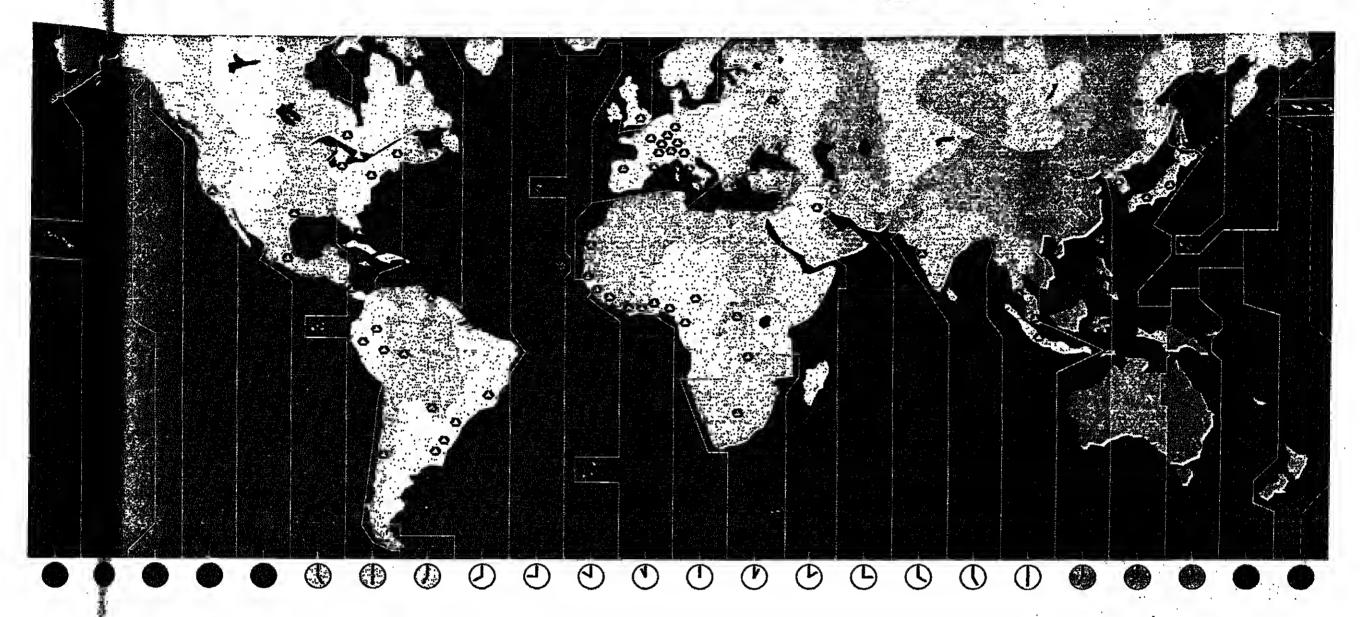
In Japan we've developed green- In Australia we've discovered red-bean ice cream. Whereas in Taiwan, they prefer that helps sell ice cream through

It's local knowledge like this

3000 Baskin-Robbins outlets to more than 500 million customers across 37 countries.

Allied-Lyons. Food and Drink to 150 countries around the world.

We have got all the time in the world for you.



Around the world, wherever the sun rises on a new business day, there's a

Take advantage of our worldwide presence and 100 years of banking experience.

Dresdner Bank office ready to serve you - in the Near, Middle, or Far East; in Europe, Africa, or the Americas. That's because Dresdner Bank is at home in over 50 countries, including all the world's

major financial centers.

You'll find Dresdner Bank providing

in-depth market analysis as well as trade and investment financing, purchasing and selling foreign currencies and ensuring a smooth transfer of funds -24 hours a day.

In fact, about one fifth of West Germany's foreign trade transactions are processed through the Dresdner Bank Group. And during the course of a year, the total of all the domestic and international transactions handled by Dresdner Bank add up to \$120 billion.

Which makes us one of the world's largest and most experienced international banks.

Yet, Dresdner Bank's help extends beyond just saving you time and money. Thanks to our Electronic Banking Services and extensive correspondent banking network, we can help you do business profitably in every comer of the globe.

Your success in each market requires a unique approach and thor-

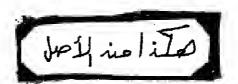
ough understanding of local customs, thereby helping you formulate and implement clear-cut goals. You can rely on Dresdner Bank's highly regarded and sophisticated financial packages as well as our knowledgeable assistance in the complex, often time-consuming process of establishing new business ventures.

When could we discuss your special requirements in detail?

Dresdner Bank has all the time in the world for you.

Dresdner Bank





BSB buys film rights in \$160m Colombia deal

BRITISH Satellite Broadcasting is to pay more than \$160m for the rights to broadcast 175 fea-ture films owned by Colombia Pictures, the large Hollywood film studio.

The deal is the largest in a series of purchases made by BSB over tha past few months to enhance the attractiveness of the package of programmes that the company will start beaming to homes across the UK next September.

It is also the latest move in a better the service of the party of the service of

battle between BSB, one of whose leading shareholders is Pearson, publisher of the Financial Times, and Mr Rupert Murdoch's Sky Television. Mr Murdoch last week persuaded Walt Disney, the US persuaded Walt Disney, the US cartoon channel, to join his package of satellite channels and also has access to films made by Century Fox, his US film subsidiary.

The battle between Sky TV and BSB has become particularly intense because consumers will have to buy different

ers will have to buy different satellite dishes and electronic equipment to receive programmes from the two organi-sations.

The companies have, therefore, been increasing the quality of the programmes they are providing in a bid to persuade consumers not to sign up with their rivals.

Under the agreement with Columbia Pictures, which was signed yesterday, BSB will have exclusive rights to broad-



Rupert Murdoch: leading Sky TV's fight against BSB cast films such as The Last market," a BSB spokesman Emperor, Roxanne and Karate Kid in the UK on a subscription basis. It will also have

BSB refused to be pinned down on bow the Columbia rights to a number of films Col-umbia has yet to release, such purchase would be financed. except to say that it would be "managed within our existing as Ghostbusters IL In recent months, BSB has concluded similar but smaller

The company, however, has recently made clear that the deals with four other film studios: Cannon, Warner, MGM-UA and Mr David Putthigh expenditure on acquiring film rights will force it to raise more money than initially planned in a rights issue next summer. It is now looking to nam's new film company. These moves have given BSB access to more than 850 films. We are being chosen by raise more than £500m, com-Hollywood as the vehicle for their precious films in the UK pared with an original plan of £400m.

Call to lift limit on mineworkers' shifts

By John Gapper, Labour Correspondent

BRITISH COAL yesterday called on the Government to remove legal constraints stopping miners from working underground for more than seven and a half hours at a time. It said working hours should be freely negotiated

with mining unions.

The call followed the signing of the first six-day flexible working agreement for Asfordby pit in Leicestershire with the Union of Democratic Mineworkers, and a sustained push for more flexible working patterns by British Coal.

The corporation said it had urged the Government to

repeal provision of the 1908

Coal Mines Regulation Act which restricts the length of miners' shifts. Most miners work five shifts of seven and a quarter hours each week. British Coal made its call as the first legislative package of a planned reform of mining safety regulations was laid before Parliament. The reform, which has been criticised by some unions, would allow more flexible local practices. Under the reform, which the Health and Safety Executive is trying to implement before the

Coal, managers would be expected to conform to a code of practice rather than having all practices laid out by Isw. Mr Ken Moses, British Coal technical director, said at a media briefing that the corpo-ration wanted to introduce lon-ger shifts at north-east col-

planned privatisation of British

lieries where face workers had to spend a long time travelling

underground.
The corporation had approached the Government on the subject and wanted freedom to negotiate longer shifts in some pits. "There is not any thing particularly onerous about working underground

for 10 hours or so," he said.

Despite unofficial lobbying
by British Coal, the Government is not to repeal the 1908
restrictions in the Employment
White Paper announced last
week, which will sweep away
many legal restrictions on many legal restrctions on

The Department of Energy said no formal request had yet been made to the Government by British Coal for repeal of the 1908 provisions on working tims, but any such submission would be considered carefully. Sir Robert Haslam, British Coal chairman, said the corporation intended to follow the Asfordby deal by signing a flexible working agreement with the UDM for the proposed Margam drift mine in South

After the rejection of a flexi-ble working deal for Margam by the National Union of Mine-workers, the UDM – which broke away from the latter after the 1984/85 miners' strike - has been trying to recruit local miners, but Sir Robert said it would not matter if they had no members at the pit, or

Second bid to sell off national laboratory

By James Buxton, Scottish Correspondent

THE Government is to make a second and more cautious attempt to privatise the National Engineering Laboratory after the failure of the pri-vatisation initiative launched during the summer by Lord Young, Trade and Industry

ecretary. Management consultants have been appointed to make a detailed study of the government research institution. based at East Kilbride near Glasgow. A supervisory board is to be appointed to consider any restructuring of the labo-ratory recommended by the

Last June, Lord Young unexpectedly called for commercial hids to be made within six weeks for NEL, which carries out engineering research mainly for the Government hut also for private industry. He argued that since most of NEL's work was relevant to private industry, the private sector should pay for it. Nine bids were received and

in late August the DTI named YARD, the Glasgow-based engineering consultancy, as the preferred bidder. In early October, however, talks with YARD collapsed, spparently in disagreement over the level of government funding which YARD wanted during the move to the private sector.

ufacturer of washing machines, fridge freezers and

Gooding had previously sold

Porth Decorative Products, a manufacturer of artificial

Christmas trees; Converted

International, a paper and board metalliser; and Wiljay, a

designer and manufacturer of

pumps and compression equip-

microwave ovens.

Private and Public health sectors 'to raise co-operation? By Richard Donkin

A BREAKDOWN of ideological harriers between public and private health care sectors was leading to greater co-operation between the two, Mr Bob Gra-ham, chief executive of British United Provident Association, told a Financial Times confer-ence on private health care in London vesterday

London yesterday.

Mr Graham said the growth rate of the private health care industry had been more rapid than that of the national economy and had become a £1bn industry serving more than 10 per cent of the population and providing about 14 per cent of UK health care.

The latest estimate is that about 17 per cent of the nation's elective surgery is now performed in the private sector," he said.

sector." he said.

The borizons of the private sector, said Mr Graham, would continue to be bounded by the National Health Service. "I remain convinced that the NHS will continue to be the principal provider of health care for the foreseeabla future," he said.

He rejected proposals such as tax breaks and subsidies for the industry which had been mooted in the past. He said: "It would be unwise to base future planning on economic crutches given to the industry by a government of one political per-suasion which could be kicked away overnight by a new regime of a different persua-

Mr Graham also rejected exemptions of tax contributions for those using private bealth care. "I believe it right and proper that users of private medicine should pay their full share of taxes towards the NHS, thus avoiding both the suggestion and the reality of a two-tier system of health care with first- and second-class services," he said,

"Demand for health care is insatiable. It simply continues to outstrip the growth of provi-sion," said Mr Graham. But while the proportion of GNP spent on private medicine in

Britain was only 0.8 per cent, in both West Germany and France it was 1.8 per cent.

The theme of greater co-oper-public sectors was supported by Mr Brian Edwards, regnocal general manager of Trent who said that income generation would become a growing feature of Health Service finance. "Income generation would be some generation targets of some \$100 m a year now seem possible," he said.

Shopping marketing, advertising, generation, advertising, employees Shopping marketing, advertising, employee services, and sponsorship, he said, were all sponsorship, he said, were all obvious areas for Health Service income, I expect the NHs to operate a far more mixed economy in the future. In the private sector to help us top off long waiting lists."

Mr Peter Townsend, chairman of Bioplan Holdings, said in developing private health care facilities in partnership with the NHs.

All negotiations with the

All negotiations with the Health Service, he said, had been held on an open book basis, so that each could see

the costs involved.

He said there was every possibility that partnership, properly structured, could lead to the NHS being the preferred provider of health care in the IK.

Dr Ken Grant, district gen-eral manager of the City and Hackney District Health Anthority in London, said the Health Service needed to be very careful about putting low dependency patients out to the private Secur, while continu-ing to take in high dependency patients, since it put staff

under stress. Mr John Chawper, chairman of the private practice commit-tee of the BMA, said the Health and Medicines Bill had given managers of health authorities wider powers, with the result that many managers were now looking at new ways of raising income, such as opening shops

General Dynamics offers tank deal

By Lynton McLain

GENERAL DYNAMICS, the US arms manufacturer, has offered UK companies co-production of the US Abrams main battle tank it has offered the British army in competition with Vickers.

The US company also offered "long-term partnerships" in tank design which would give British companies access to other world markets if the US

General Dynamics said vesterday that it had talked to the UK companies capable of making main hattle tanks, but it would not say if it had talked

with Vickers. Ministers are to decide before the end of the year whether to bny the Vickers Challenger II tank or Abrams. The decision on which tank ister of defence as the most

difficult defence procurement decision it has had to make. Lord Trefgarne, the minister for defence procurement, said last week that the decision was more difficult than the Nimrod decision, which resulted in the Government cancelling the GRC-Marroni Nimrod airborne early warning contract - after almost fibn had been spent in favour of the US Boeing AWACS aircraft.

Gooding unveils buy-out plan

By Clay Harris

MR ALF GOODING, the Welsh industrialist, yesterday unveiled a buy-out plan to con-solidate his control over the Gooding Group, a private company which owns Race Elec-tronics, a Cardiff-based snpplier of circuit boards to several Japanese electronics

The offer from Tacbdale Investments, a bny-out vehicle owned by Mr Gooding's per-

strengths:

investment incentives.

As Germany's largest

federal state, Bavaria

offers diverse sites for industrial

settlement. Companies locating

in Bavaria can tailor facilities

from more than 27,000 acres

of available space.

sonal interests and Citicorp Capital Investors Europe, val-nes Gooding Group at £25.6m.

The proposal is intended to lead to a reconstruction of Gooding to enable Race "to maximise its potential in the electronics components indus-

try," the bidder said. Race is the only operating company left in Gooding, after the 16m management buy-out in January of Servis, the man-

Love at first site.



To Navigate in the Rough Waters of International Financing, Rely on Tokai Bank

The seas of international finance can get quite stormy.

That's why you need an experienced navigator to determine the proper course for your financing and investments. With over 100 years of experience, 49 overseas offices, more than 1100 correspondent banks, and total assets of US\$ 222 billion, Tokai Bank is in a position to take command.

We don't rely on dead reckoning. As one of Japan's leading banks, our global information network provides a diverse range of accurate, up-to-the-minute banking. services, innovative financial techniques, and an expert knowledge of the Japanese market. To make sure you steer the right course in international financing, come aboard





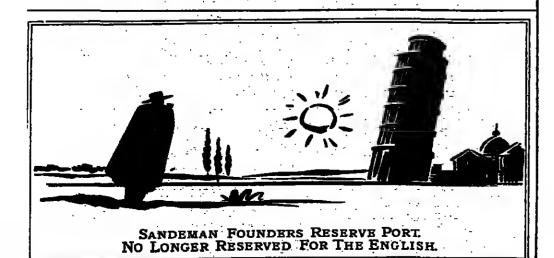
Bavaria is a technically advanced economy and employs one-fourth of all Germans active in electronics and electro-technology - industries such as components manufacture, telecommunications, dataprocessing, and electromedicine.

Bavaria features one of TO Europe's highest concentrations of user industries of advanced technology products. Leading electrical and mechanical engineers, automakers, and aerospace industries operate in Bavaria.

Bavaria employs more people in R&D in the industrial sector than in any other state. It is the home of the world-famous Max-Planck Institute and Fraunhofer-Gesellschaft as well as many research facilities for microelectronics and biotechnology.

In Bavaria, entrepreneurial drive and a strong work ethic are the bedrock of growing prosperity. Government, business, the labor community, and the academic world have linked resources to create an ideal environment for high-performance companies.

Not bad for a state famous for its charming lifestyle. If your company is considering expansion in Europe, take a close look at Bayaria. It'll be love at first site.



Bavarian State Ministry of Econ D-8000 Munich 22, PO.B., Federal Rep Bayaria. Fertile soil for high-performance companies.

UK NEWS

Slowdown in growth to 2.5% by 1990 forecast

ECONOMIC GROWTH in Britain will slow noticeably next year and in 1990 - hut remain above the European average, according to the Society of Business Economists.

The society's forecasting group said Britain will avoid a recession although growth will slow to 2.9 per cent in 1989 and 2.5 per cent in 1990 from an average of 4 per cent this year. It forecast a decline in Britain's current account balance of payments deficit to £11.6bn in 1989 and £9.8bn in 1990 from £13.9bn this year, The society, which brings together economists working for banks, brokerage houses and industrial and commercial

companies, broadly shares the Government's view that the

sharp decline in economic growth to 1 per cent by 1990 and a current account deficit of more than £15bn that year.

The Society of Business Economists is also less pessimistic than many City of London commentators about the outlook for inflation in Britain. It forecast that retail price inflation will peak at around 7 per cent in early 1989 before falling back to result in an average inflation rate of 5.7 per cent next year and 4.9 per cent

economy can achieve a soft landing from its present over-heated state.

It is notably more optimistic

than the National Institute of

Economic and Social Research.
That independent forecasting
group last week forecast a
sharp decline in economic

in 1990.

Looking further ahead, the society forecasts that economic growth will average 2.3 per cent a year over the 10 years to 1998. It expects inflation will

1998. It expects inflation will average 48 per cent a year in the 10-year period, with the current account balance of payments recording an annual deficit of around £5hn.

The society says that it estimates unemployment will total 2.5m in 1998 compared with 2.2m last month. It expects a continuing decline in the share taken by manufacturing in the nation's economy. Communicanation's economy. Communica-tions, banking and financial services will be the fastest growing sectors of the econ-omy over the next 10 years, it says.

and confusion."

ICI won two mentions. Its digital paper-plastic film for optical data storage offered a significantly cheaper and more flexible alternative to the floppy disk. The 11-year £100m programme to produce Corwin riolded a new means to best

yielded a new means to beat congestive heart failure. Further signs of life in the textile industry showed in an accolade for Arctex thermal

underwear from Dawson Inter-

Trend to European monetary union 'may be inevitable'

By Simon Holberton, Economics Staff

GREATER monetary integration and even monetary integration and even monetary union may be an inevitable consequence of the European Community's move towards a single market for goods and services in 1982, according to Mr Gavyn Davies, chief UK economist of Goldman Sachs.

The economic sovereignty which some EC countries are well as a protect could

which some BC countries are so keen to protect could become increasingly "trivial" after 1992 as most of the cru-cial areas of economic manage-ment such as trade, regional and industrial policy, devolve to the European Commission. In such a context "monetary

In such a context "monetary sovereignty amounts to one thing only, the freedom to inflate more rapidly" than other member countries, Mr Davies says in a paper" published yesterday.

However, if the consequences of 1992 point towards the inevitability of closer monetary relations, possibly ending in monetary union and the creation of a European central bank, Mr Davies points out that the process will have to be slow and painstaking.

He says the Delors Committee, which was established by the June summit of EC leaders in Hanover to investigate Euro-

in Hanover to investigate Euroin Hanover to investigate European monetary and economic union, hears much of the responsibility for mapping out a "feasible" path.

Mr Davies proposes a four-stage process which, he says, could lead to monetary united by the continue of the continue of

by the turn of the century. The steps would be:

• The encouragement of greater private use of the Euro-

Distribution market

pean Currency Unit (Ecu) and a reduction in the frequency and size of realignments in the European Monetary System's exchange rate mechanism.

The official Ecu becomes interchangeable with the pri-

vate Ecu. Community countries set joint monetary targets. Britain joins the exchange rate mechanism of the EMS.

o The official Ecu is now created by swaps for national currencies, not foreign currencies and gold as before. A single authority conducts foreign exchange intervention. Internal exchange rates are fixed and the Ecu becomes legal tender throughout the EC.

 A European central bank is created. Monetary policy is formed centrally, the Ecu ceases to be a basket currency and is issued by the central bank. Domestic currencies are left to gradually wither away. Such a system would resem-ble the Gold Standard which operated among leading world onomies from 1876 until 1913, Mr Davies says, "without being accompanied by any form of political union between the participating states."

The Gold Standard also showed that the free flow of capital is not inconsistent with fixed exchange rates, or with a position under which the participating countries had different current account positions.

Gavyn Davies, A Plan for European Monetary Union Goldman Sachs International Ltd., 5 Old Bailey, London

Analysts weigh up City crash best of British

rise, according to a report pub-lished yesterday.

More redundancies are, however, expected to come at a later stage from the stockbroking sector particularly among those firms who escaped the

particularly for those earning less than £25,000 a year and the report expected an overall increase in 1988 City salaries to be close to the national average of 2.7 per cent age of 9.7 per cent.

Nationally, the highest salary increases went to employ-ees based in the South West and London.

By Christopher Parkes, Consumer Industries Editor THE PURSUIT of excellence in ropolitan's IDV subsidiary, was seen as "approachable in a cul-de-sac less often than cerdrinks category full of heather and confusion."

cal-de-sac less often than cer-tain pessimists may suppose. ICI's heart drug, Corwin, Persil Liquid detergent, the Rolls-Royce Tay Turbofan aero engine, and a new roofing tile, for example, have all won places in a league of the best of new British products for 1988, produced by Management

produced by Management Today, the business monthly. Compiled by a panel of leading stockbrokers' analysts, the selections were based on criteria which included use of innovative technology, creativity and design, exploitation of a market gap, sheer impact and modernising a traditional

approach.
in retailing, for example, pride of place went to Complete Kit, published by Great Universal Stores. Described as friendlier and more information than the contraction of the tive than other mail order cata-logues, it represented "a genu-ine step forward," the panel decided.

The Tay Turbofan was considered friendlier to the envi-ronment than other engines because of its quietness, fuelef-ficiency and the fact that it more than matched international environmental require-

Singleton of Auchroisk, a mait whisky from Grand Met-

underwear from Dawson International, while Iceland Frozen
Foods won praise in the food
retailing division for its new
£10m cold store at Clwyd,
North Wales.

Other honourable mentions
went to: MB Group for the Metpolam system for bonding plastic to metal, the peg tile from
Steetley Tile & Brick, second
generation cordless phones
from Ferranti and Shaye Communications, the Xerox 5046
copier, and foreign currency in EC set to expand By Kevin Brown, Transport Correspondent

Community distribution mar-ket for food and drink products copier, and foreign currency mortgages offered by John Charcol, part of the Abaco financial services group. First Technology of Fleet, Hampshire, won a place with its cheap and efficient acceleris likely to expand from between £54bn and £60bn to around falls by 1992, according to a report published by a big UK distribution company.

The report, published by Contract Distribution, a subsidiary of the National Freight Consortium, says that the com-pletion of the single EC inter-nal market will lead to growth in distribution demand for the

increases of between 5 per cent and 10 per cent in demand for contract distribution — in which manufacturers and retailers hand over their distrihution activities to specialist

companies.
Mr Mark Redeman, managing director of NFC Contract Distribution, said UK contract distribution companies were poised to capture a significant share of the European market because of their greater size

and sophistication. Mr Bedeman said the UK industry had been forced to develop efficient logistics systems to compete in the dere-gulated domestic market, and

THE value of the European cial muscle to acquire or establish operations elsewhere in Europe.

Continental competitors were closer to their own mar-kets, but had failed to develop similar sophisticted distribution systems because of protec-tion from competition offered by highly regulated national

transport systems.

NFC believes only a handful of companies, mostly based in the UK, France and West Germany, are likely to be of sufficient size to establish pan-European operations after 1992.

named in the report, but would probably include Christian Sal-vesen, Transport Development Group and Tibbet & Britten of the UK; Kuehne & Nagel of West Germany; and Calberson, Skac and Gefco of France.

In addition, some express delivery companies have shown interest in expanding into grocery distributioo, including TNT, based in Aus-tralia, and Federal Express and United Parcels Service of the

Managing the European Supply Chain; £10 or Ecu15.5, from NFC Contract Distribution, Stephenson House. Brunel Centre. had achieved sufficient finan- Bletchley, Milton Keynes.

'weeded out dead wood'

By Joel Kibazo

BETWEEN 5,000 and 6,000 people lost their jobs after the stock market crash of October 1987, but most of them soon found new employment and salaries for many working in the City of London continue to the according to a report pub-

The report, a quarterly survey from management consultants Wyatt based on replies from 400 companies on their data bank, says that despite reports of more than 50,000 manals beginn their inhe after reports of more than 50,000 people losing their jobs after the crash, only a few high-flyers actually suffered, and all that took place was a redistribution of clerical and supervisory staff, "a weeding out of "dead wood".

Salaries had to rise this year

More than 75% of new cars had unleaded petrol option

By Kevin Done, Motor Industry Correspondent

MORE THAN three-quarters of however, of needing exclu-the new cars sold in the UK in sively leaded petrol, where the the first nine months of the year can run on both unleaded and leaded petrol, according to the Society of Motor Manufac-turers and Traders.

The SMMT said that vehicle manufacturers were contino-ing to make "big strides" towards meeting the objective, set out in recent Government legislation, that by October 1990 all new petrol-engined vehicles should be capable of using unleaded petrol, without any adjustment to the engine

or special precautions.
In the first nine months of the year nearly 30 per cent of new cars sold met this criterion, while a further 50 per cent of new cars could use unleaded petrol after a minor engine adjustment and possi-bly with certain special precao-

One in five new cars sold

engine was not designed for use on unleaded petrol and

would be damaged by it.

The SMMT, the motor industry trade association, claimed that two-thirds of all the cars and light commercial vehicles in the UK - ahout 14m vehicles - could use unleaded

Of these some 3.3m vehicles needed no engine adjustment, while the rest could be adapted by a minor adjustment with advice from a dealer.

The growing campaign in favour of the use of unleaded petrol still appears to be mak-ing little headway, however. According to figures from the According to figures from the Institute of Petroleum, unleaded petrol accounted for less than 0.7 per cent of total UK petrol sales in the third quarter of the year.

At the same time according to the SMMT only around 2,500

of the total 25,000 petrol sta-tions in the UK currently offer unleaded petrol, although the total should exceed 3,000 by the end of the year.

ometer, property group London & Metropolitan with its Watch-moor Business park near Cam-berley, Surrey.

Very few cars at present on sale in the UK have to run exclusively on unleaded petrol, although these will become increasingly common over the next few years, and some man-ufacturers are beginning to offer optional low-pollution cat-alytic converter equipped cars. Volkswagen said recently that it would offer catalytic converter equipped versions of its entire range in the UK by

its entire range in the UK by next autumn.

Adjusting suitable engines to use unleaded fuel was usually a simple procedure costing a few pounds, said the SMMT. Once adjusted, engines were equally suited to unleaded or four-star leaded fuel, removing, any concern about the lack of availability of unleaded petrol availability of unleaded petrol in some locations.

still came into the category, **OVERWORKED...?**

OVERBUDGET . . . ? Consorzio Di Credito Per Le Opere Pubbliche **How many communications systems** are frequently overloaded, expensive U.S. #288,000 7'4's 20-Year Guaranteed Bonds of 1970 Sentes Day January 1, 1990 Guaranteed by The Republic of Rely NOTICE IS HEREBY GIVEN risk pursuant to Article 3 (a) of the Terms and Conditions of the above monitored Bonds and in Conditions of the above monitored Bonds and in Conditions of the above Up 3 2,500,000 m principal security in the above Donds will be redeemed on January 1, 1989, at par (the redempton price) together with accrued interest thereon to said redemption date. and unable to solve your information

LINK WITH THE

The was first emugat to Southers

The Christmas give the most

acceptable liqueur in the world.

SAMSING ELECTRONICS CO., LTD.

Notice the holders of US\$20,000,000, 5 percent bonds 2,000

NOTICES HEREBY GIVEN TO THE HOLDERS OF ABOVE BONDS

THAT: #Board of Directors Meeting of the Company, held on November 4,

1988, replied to issue NEW SHARES under the following terms and

3. Issuin Method: 1,033,061 shares to be issued at the price of 25,100 Korean Worfer share and 4,195,688 shares to be issued as free distribution.

1) 26,612 shares of the new issues: shall be allocated for the subscription

2) 86,449 shares of the new issues: shall be allocated to the shareholders

3) fine distribution of 4,195,685 shares: shall be allocated to the share-

Fractions of shares and unsubscribed shares shall be disposed by the

SAMSUNG Bectronics

6. Subscription period: December 27, 1988 — December 28, 1988

Bondholders should contact the Trustee for further information.

Employees of the company according to the law on fostering the

restered on November 29, 1988 in the proportion of 0.0295463

holders registered on November 29, 1988 in the proportion of 0.15 share.

1. Former shares: Ordinary shares in registered form.

2. Number of shares: 5,228,749 shares.

anital market in Korea.

5. Recont Date: November 29, 1988

7. Payment Date: December 30, 1988

Resolution of Board of Directors Meeting.

4. Allocation of new shares.

Experience the power of data broadcasting...

> "By using broadcast technology Market-Eye™ overcomes the costs and capacity restrictions of traditional networked systems".

> > **George Hayter**, Executive Director, ISSD

Call **01-576-2563** for more information on how we can improve the quality of your life!



Airlines developing 'speedier' air ticket

BRITISH AIRWAYS and three other European airlines, Air France, Lufthansa and Swissair, are developing a new form of airline ticket – the ATB, or automated ticket and boarding pass, designed to speed the flow of passengers through congested airports.

The ATB is a machine-read-

able card with a magnetic stripe on the back, which combines the airline ticket and the boarding pass.
It should provide faster and smoother check-in and

Other benefits include better

security - the tickets will be impossible to forge or alter, thereby saving the airlines mil-lions of pounds lost annually through such malpractices. The tickets will also improve information available to airlines on revenues, passenger

travel habits and preferences. BA will in summer convert a number of its check-in desks and boarding gates at London's Heathrow Airport with mag-netic boarding-pass printers and readers, while the first BA ticketing points such as travel

verted to issue the magnetic ATB ticket.

Plans are being developed with the international Galileo computer reservations system, of which BA is a member, and the airline's own Travicom computer system, to enable travel agents to use the sys-

The ATB will be simple to use. When a passenger presents his or her ATB at a check-in desk, the clerk feeds it into a printer, clearing the pas-senger for the flight. At the boarding gate, the

ATB is fed into another machine, know as a gate reader, which divides it into its two parts, the coupon and boarding pass. The first is retained by the airline and the latter given back to the passen-

All the airlines in the scheme intend to install the system progressively. By the end of next year, many of the four airlines' pes-sengers will be using the tickets both in airports and at

Have your FT hand delivered every day in Switzerland

If you work in the business centre of BAAR, BASEL, BERNE, GENEVA, LAUSANNE, LUGANO. LUZERN, ST GALLEN, ZUG, ZURICH or WINTERTHUR — gain the edge over your competitors. Have the Financial Times hand delivered to your office. Then start every working day fully briefed and alert to all the issues that affect your market and your business.

12 FREE ISSUES

When you take out your first subscription to the F.T., we'll send you 12 issues free. Then see for yourself why Frederick Ungeheuer, Time magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

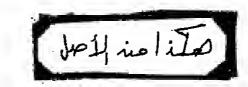
C Geneva (0220) 311604

And ask Peter Lancaster for details.

FINANCIAL TIMES
EUROPE'S BUSINESS NEWSPAPER



NGORZIO DI CREDITO PER LE OPERE PUBBLICHE The Chara Management Grant (National Account de la Company)



The state of the s

marke

. .

. A. Villa B. in 105

Kitchens on alert after salmonella outbreaks

Lisa Wood reports on food poisoning fears

current wave of anxiety sweeping through
Britain's kitchens - with the fear of food poisoning from a "three minutes" egg or an egg nog - stems from a strain of bacteria called summella entertidia

salmonella enteritidis.

It is a new strain of salmonella which has been suspected of causing food poisoning in 26 cases this year and has pro-voked warnings from the Department of Health about the dangers of cetters comthe dangers of eating eggs raw and the best practice in cook-

Food poisoning is causing growing concern in Britain. The University of Bradford's Food Policy Research Unit recently reported an increase of 50 per cent in reported cases of bacterial food poisoning between 1982 and 1986.

The report, which looked at what industry was trying to do
to control sources of infection
said: "The fundamental problem is that people generally do
not take the issue seriously
enough even though foodhouse disease is a genuine foodase is a genuine food

safety hazard.
"If more people were concerned then the necessary pressure would be generated for appropriate action to be taken by government and by the other authorities involved."

The large-scale publicity given to the cases of food poisoning associated with salmonella enteritidis and eggs is probably out of proportion to the risk.

Neverthless, the incidence of salmonella infection among poultry is a major concern for the Ministry of Agriculture, Fisheries and Food which next month will publish a new code of practice for the control of

salmonella in ponitry.

Salmonella is ubiquitous in nature and one of the main sources of it is poultry, consumption of which has risen dramatically over the past Scientists estimate that up to 50 per cent of birds stored in the supermarkets chill cabinets contain the bacteria – bence the advice on the proper cook-

the advice on the proper cooking of fowl, particularly the large Christmas turkey.

Eggs have traditionally been known to be at risk from salmonella contamination with the bacterium being generally found in the gut of the laying birds.

contamination generally stems from faecal contact with shells because of dirty nest, cracks in the shells or poor

almonelia enteritidis – a bacteria which is no more pathogenic for man than any other salmonella - is a strain that has the potential to infect the bird's reproductive system. Scientists believe that this could be one route for the current contamination of eggs. One approach to the control of salmonella in both laying birds and chickens would be to

In Denmark a scheme has resulted in a sharp decrease in the frequency of salmonella outbreaks in poultry although the disease has not been eradi-

eliminate the bacteria from the

In Britain the first tentative steps are being taken with the a new code of practice drawn up by the Ministry of Agricul-ture, Fisheries and Foods.

The code, which will be first introduced by producers of breeding birds, concentrates on eradicating infection from foodstuffs and the environment. It is hoped the code will subsequently be taken up by the rest of the industry. Although the MAFF says there is no evidence that the

intensive husbandry of birds inevitably causes more infec-tion, modern production methods may give a greater potential for infection.

Dr Terry Roberts, head of microbiology at the Institute of Food Research (Bristol Laboraof the Agriculture and Food Research Council says, food Research Council says, for example, that modern methods of rearing chicks — with the birds being separated from their parents — leaves the chicks more vulnerable to salmonella infection.

His laboratory has been working on their early munu-nisation.

The project is not yet suitable for large-scale introduction in the industry and government cut-backs in research could put this at risk.

The Government itself insists that it is not cutting back on spending on food

An important strand of the Government's thinking is a concentration on consume Department of Health - which last week gave advice on the proper handling of eggs - are at present investigating the whole question of consumer education in food.

Research, for example, is being instigated into what hap-pens in the typical household when the shopper buys a ready-to-eat dish which has been kept at a controlled temperature until the point of sale.

Similarly, falling levels of preservatives give shorter shelf lives for foods.

Whether consumers are being sensible and heeding advice on the proper cooking of eggs is yet to be seen.

As far as the producers and retailers are concerned there has not been any down-turn in sales. One major producer said: There are 30m eggs consumed every day in Britain. They are one of the safest foods

UK NEWS

Single market 'in danger of losing momentum'

By Kevin Done, Motor Industry Correspondent

MR GEOFFREY Whalen, president of the Society of Motor Manufacturers and Traders (SMMT) and chief executive of Paugeot Talbot varned last night of the danger of losing momentum in the development of a single market

Motor industry concern focused on three main areas; disagreement between member states on the harmonisation of VAT rates, the continuing lack of common technical standards and the lack of clear objectives for vehicle exhaust emissions.

"No one expects the single market to emerge in 1992 com-plete and whole, but we do

need a few more signs of real progress," said Mr Whalen. "I detect a growing scepticism on the readiness of European governments to make a genuinely

eriments to make a genuinely single market work.

There were were vast discrepancies in retail car prices in Europe, said Mr Whalen, with total car taxes in the European Community ranging from 12 per cent in Luxembourg to more than 230 per cent in Denmark and Greece.

If customers were able to move freely through frontiers and if tax rates were not approximately the same, car buyers would buy in the cheapest market. It was very diffi-

cult for the motor industry to plan on such suppositions.

Differing technical standards in Europe imposed "enormous" engineering and building costs on the European motor industry, he said form. motor industry, he said. Com-mon technical standards would be a "great simplification and saving", but Mr Whalen ques-tioned whether officials in transport ministries through-out the Community were not thinking up ways to retain in some obscure but pernicious way many of their own national rules and regula-

On vehicle exhaust emis-

"completely against the spirit of a single European market" if individual countries discriminated against certain vehicles through taxation measures, even though the vehicles complied with EC exhaust emission rules.

plied with EC exhaust emission rules.

Mr Whalen made a special plea to the British Government not to increase the taxation of company car benefits for high-mileage business users.

After the doubling of scale charges in the budget last March, no further increases in taxation for either the average or high mileage company car driver would be justifiable, he said.

Those seeking to destroy the whole sysem of company cars of couraging the as radical in fact small minded and danin fact small minded and danin tax on the majority of company such increases pany car drivers would be Any such increases would motor industry by diminishmarket, increasing car important with and widening the industry's trade defect.

If a country wished as a source of companions of the country wished as a series of the companions of the companion fractionary wished to be strong in needed a powerful motor industry.

Notice of Partial Redemption to the holders of

Compagnie des Bauxites de Guinee U.S. \$30,000,000

8% Guaranteed Bonds Due 1990

NOTICE IS HEREBY GIVEN that pursuant to Section 5.01 of the Indenture dated December 31,1972, the Company will redeem U.S. \$3,000,000 principal amount of the 8% Guaranteed Bonds due 1990 at 100% of the principal amount (the "Redemption Price") on December 31, 1988 (the "Sinking Fund Redemption Date") when interest on the Bonds will cease to accrue. Serial numbers of the Bonds called for the Sinking Fund Redemption are as follows:

Repayment of the principal amount will be paid to Bondholders on December 30,1988, against presentation of the bonds with Repayment of the principal amount will be paid to produce the offices of any one of the following paying sents, 1) all coupons appertaining thereto after the date fixed for redemption, at the offices of any one of the following paying sents, 1) The Corporate Trust Office of Bankers Trust Company in the Borough of Manhattan, New York, 2) Bankers Trust Company, in London, 3) Bankers Trust Company, in Paris, 4) Banque Generale du Luxembourg, in Luxembourg, 5) Swiss Bank Company, in Company in Basle, 6) Banque Indosuez Belgique, in Brussels, 7) Deutsche Unionbank in Frankfurt/Main, 8) Banca Competiale Italiana in Milan and 9) Amsterdam-Rotterdam Bank, in Amsterdam.

Allan and 9) Amsterdam-Kotterdam Dalik, in Chieferdam.

Accrued Interest due on December 31, 1988 will be made in the normal manner against presentation of Coupon No. 16, on December 30, 1988.

Bankers Trust Company, London

30th November, 1988

£40 is a small price to pay to stay within the law.

matter how big or small, that hold money and the worry of being on information about people on the wrong side of the law. computer, must register with the Data Protection Registrar.

That is the law. Failure to comply recently cost an Oxfordshire firm £700 plus court costs

The embarrassment could be considerable. So why not take the simple steps needed to register especially since the current fee of £40 will be raised on January 11th to £56.

Send the coupon today for details to see how the Act could

Businesses in Great Britain no affect you. You'll save yourself

out the Act an
FTZER

Philips Pocket Memo - Your Electronic Notebook



	ation c	aff yes	s effic	a equipme	at doubt or send	this cov	pen			
Name _	<u>.</u>	•.		·						
Campany							Telephone	:- '	. •	
Address							Postal Code			
PHILIPS D	ICTAT	ION S	YSTE	45 Bektre	House, Berghelt	Rd, Cole	hester CO4 5BE ref. FTN/DIC/88.8			
Tel: 0208	575H	5 (Out	र्ज वर्ग	ce hours c	al 0206 86251	quoting	ref. FTN/DIC/88.8			



Chancellor rules out any change of direction in his policies

POLICY changes were ruled out by Mr Nigel Lawson, the Chancellor of the Exchequer, in the Commons last night when he fended off a sustained Labour attack on his handling of the economy.

He insisted that the record

deficit on the current account of the balance of payments would not lead to a sterling crisis and described the slowdown in the growth of demand which was now required as "a simple and straightforward

Mr Lawson dismissed as "economic illiteracy" charges by Mr Gordon Brown, who led the Lahour attack, that by squandering the unique advantage provided by North Sea oil and returning to the "stop-go" economic crises of earlier years be had "failed the country".

he had "failed the country".

The Chancellor admitted that, with the benefit of hind-sight, he had been mistaken after the Stock Market crash on Black Monday in October last year, when he judged the risks of recession to be greater than the risks of inflation.

He forecast that, as in 1985, the "vigorous use" of interest rates would be successful in dealing with the current infla-

dealing with the current infla-tionary "blip", but he warned Tory backbenchers to brace themselves for a period of increasing government unpo-pularity as existing homeowners, as well as new buyers, felt the impact of higher mort-

gage interest rates.
Mr Lawson's combative speech was heard in silence by most government supporters and his insistence that there would be no policy changes brought a mocking response from Labour MPs who waved their parliamentary papers in the air — a gesture usually made by Tory backbenchers to mark a triumphant announce-

He was strongly criticised by Mr Edward Heath, the former Conservative Prime Minister, who, using a golfing metaphor, maintained that a "full set of clubs" rather than a single weapon was needed to deal with inflation and the surge in

In less critical terms Mr Norman Tebblt, the former Cabi-net minister and ex-chairman of the Conservative Party, cau-tioned the Chancellor against rushing in to a further rise in

Mr Lawson scoffed at the attempts to compare the deficit on the halance of payments current account with the diffi-

est rates to reduce demand was

supported by Lord Barber, the

former Conservative Chancel-

lor of the Exchequer.
In a parallel debate on the

economy in the Lords, he dis-

missed other remedies such as credit controls or tax increases.

Credit controls would be eas-ily got around, while income

tax increases would damage

the confidence of the business

Reducing the value of the pound to stimulate exports and

discourage imports would soon add to prices and increase

Lord Barber said the prob-

lem was not poor competitive-ness on the part of British industry - productivity and manufactured exports were

The problem is quite simply an exceptional growth in domestic demand which British industry cannot satisfy.

Ish industry cannot satisfy. The Chancellor has taken the right action in the circumstances that face him and he should be supported."

Lord Barber said it was a matter of judgment whether Mr Lawson should have

reduced interest rates as much

both rising impressively.



Nigel Lawson, left, described attacks by Gordon Brown as 'economic illiteracy'

the "only real problem" now facing the British economy. It was to avert that risk and ensure that "within a matter of months" inflation resumed its downward path that he had sharply tightened monetary policy "culminating in the increase in base interest rates to 13 per cent last Friday".

Mr Lawson was repeatedly

MR NIGEL LAWSON had to endure an unnverving preliminary exchange during Prime Minister's Question Time before beginning his main speechin the debate on

Mr Nigel Griffiths (Lab. Edinburgh Sonth) reminded MrsMargaret Thatcher that she once described the Chan-cellor as "brilliant". He asked her if she still held to that

ridiculed from the Opposition benches when he again argued that the inclusion of mortgage interest payments in the retail price index obscured the underlying rate of inflation, which he expected to peak at 5% per cent before resuming a downward trend.

Firmly ruling out a return to credit controls, he described them as a "dead end" which, in any event, could not be made to work without the restoration of exchange control. The Chancellor was adamant that interest rates were a "sin-

culties experienced in earlier years, contending that the risk of a resurgence of inflation was

Lord Barber backs Lawson's

higher interest rates strategy

then, the size of the September

trade deficit could be forecast.

chaired the special Lords Select Committee on Overseas

Trade that three years ago

called for more emphasis on

manufacturing industry – argued for bringing the pound down from its present artificially high level.

The methods used to tackle inflation should not hinder the

expansion of manufacturing.

"Constantly high interest

rates, with a known intention to keep them high in real

terms, not only increases costs and binders investment in

manufacturing, not only adds to the cost of credit sales, not

only affects small businesses

particularly, but leads to the exchange rate of the pound being higher than it otherwise would be."

An artificially high pound left British industry having to compete on unequal terms and

Lord Aldington said the long

term problem of the trade gap

had damaged its expansion.

The strategy adopted by Mr Nigel Lawson, Chancellor of the Exchequer, of raising inter-

would be on consumer spend-ing and not corporate spend-

ing.
In addition, he said, they accorded with regional needs by ensuring that the south of England where mortgages in excess of £30,000 were most prevalent, felt the greatest

Mr Lawson acknowledged

view becausenobody else did after what had happened to interest and mortgage rates, and the record deficit on the To jeers from the Labour benches, the Prime Minister-

replied: "I think Edinburgh is a very flourishing city."

Mr Lawson, sitting in the most remote corner of the Government front bench by the Speaker's chair, did not join in the laughter.

that the current account defi-

cit, even though it arose from

private sector activity and was not the counterpart of a capital inflow to finance a Budget deficit, could not be sustained indefinitely. He again maintained that the deficit would correct itself as personal savings rose again, not least in response to the higher level of interest rates

and the end of the "great hous-Mr Lawson emphasised the strength of sterling and that it shall stay strong for the indefinite future.

Mr Brown, who triumphed

would not be solved by cutting

trols in the short term.

over what he described as a "stunt" by Tory backbenchers
to disrupt his speech, told Mr
Lawson that people were no
longer asking whether any of
his policies would succeed but: "Who will succeed the Chan-

To Labour cheers, he contended that the higher interest rates, the higher inflation and the record balance of payments deficit were the direct result of mistakes made in the Trea-

Mr Brown said they were mistakes for which millions of people were already paying dearly and for which the Chancellor had yet to pay.

He maintained that the con-

sumer boom engineered by the Chancellor could not be sustained - not because the eco-nomic growth rate was too high but because the capacity of the economy was too low and the Government's commitment to long-term investment

had been inadequate.

Mr Brown condemned the price rises resulting from Government policy - higher mort-gage repayments, higher electricity and water charges and higher rates, with higher telephone and gas charges still to

Recalling reports that the Chancellor had spoken of the need for Tory backbenchers to be educated about the need for introducing selectivity in social security payments to retirement pensioners, he said: It is now Tory backbenchers who now need to educate the Chancellor about what people

TV IN HOUSE

Changes in procedure unlikely

By Michael Cassell, Political Correspondent

What we have to do is THERE ARE unlikely to be somehow to stimulate mannany early changes to Commons procedures, following introfacturing industry in order to increase its output year by year more than demand duction of television cameras, according to an all-party select committee report published yesterday. The Procedure Com-mittee, which has been exam-He rejected the Govern-ment's dismissal of credit conining the likely impact on the rules of the House of the telev-ising Commons business, says It has been struck by "the "It is rather wet of the Gov ernment to say that they can-not find a way of discouraging

overwhelming weight of evi-dence" against changes in pro-cedure or practice at this stage Lord Ezra (SLD) said high interest rates could only to suit television.

There have been a variety of suggestions aimed at altering procedures to accommodate increase inflation through higher mortgage rates, indus-trial costs and wage settleprocedures to accommodate the televising of Commons business, reflecting concern among some MPs that viewers will find many of the proceedings unintelligible. It has also been suggested that the business time-table should be chaused to fit telesision school. He insisted credit controls

He insisted credit controls could be made to work and denied the average consumer could easily avoid them.

"We are not talking about restricting the credit of large international organisations. We are talking about trying to limit the credit of Mrs Smith of Surhiton. changed to fit television sched-According to the committee, the case for a pragmatic approach to possible procedural changes has been strengthened by the reported experiences of overseas legislatures and of the House of the Lords, together with assurances from the broadcasters that viewers can be provided with adequate explanations of any procedural complexities.

The report points out that the order of parliamentary business has been changed in Australia to make items deemed newsworthy coincide with peak broadcasting time. In Canada, the practice of According to the committee "If we persuade her local bank manager not to go on giv-ing her credit, is she then going to go home and immedi-ately ring up her favourite Gnome of Zurich?"

ROYAL ORDNANCE ASSET VALUATION

'Windfall profit' claim rejected

THE GOVERNMENT yesterday rejected Labour claims that BAe was likely to gain a windfall profit from sales of sites of Royal Ordnance factories due for closure. Mr Roger Freeman, the junior armed forces minister, did not refer directly to figures produced in the Commons on Monday by Mr Bryan Gould, the shadow Trade and Industry Secretary, who claimed that Warburg Securities had identified "easily realisable" property worth £517m from Royal Ordnance, a company which originating in the City." The

Mr Freeman said the Ministry of Defence had obtained an open market valuation for the land, including development potential, but "we did not reveal it to the prospective purchasers because we thought they would take a more opti-mistic assessment."

He reminded MPs that the sale had been by open competi-tive tender, and accused the Opposition of taking too much

land referred to lay in the green belt, and development was likely to be resisted. though the valuation assumed eventual limited industrial use.

Mr Martin O'Neill, the
shadow Defence Secretary, said one of the reasons for the Royal Ordnance sale had been the existence of surplus capac-ity, and it had been obvious that land would be available for sale. He said the company had been sold for "a knock-down price" and the taxpayer had been denied a significant

recommendations for change to advance of the installation of cameras, the six-month experiment will be closely Committee members say

they cannot rule out the possibility that the need for changes in Commons proce-dures or in the order of business may emerge during the

In Canada, the practice of banging desk-lids to indicate support has, for accoustic rea-

sons, given way to applause. The committee stresses that

while it will not make any

ANTI-TERRORISM RULING AND THE RYAN AFFAIR

Government feels grip of a new shackle in battle against IRA

By Charles Hodgson in London and David Buchan in Strasbourg

Court of Human Rights that Britain's anti-terrorism laws are in breach of the European Convention on Human Rights coming amid the row over the failed extradition of a leading Irish terrorist suspect has left the Government feeling embittered and friendless in its bat-tle against the IRA.

The court ruling confronts the Government with an uncomfortable dilemma. It will have to decide either to water down its new Prevention of Terrorism Bill, introduced only days ago to renew the existing core powers of detention and arrest without trial, or seek a rare derogation from the ruling on the grounds that the powers are justified by the threat posed by terrorism to national security.

Coming on top of the row over the failure of the Belgian authorities to extradite Father Patrick Ryan, the Irish priest wanted an in Britain on con-spiracy charges, his speedy repatriation to Dublin, and the subsequent failure of the Irish anthorities to arrest him, the ruling left the Government feeling suspicious of its Euro-

pean pariners' commitment to fight terrorism.

The Strasbourg-based Euro-pean Court ruled that Britain was in breach of the convenwas in breach on the conven-tion for not bringing terrorist suspects in Northern Ireland before a judge "promptly" after their detention.

The case arises out of a complaint by four men who in 1984 were detained in Northern Ireland without charge or judi-cial review for periods varying

from more than four days to. nearly seven days.

The court judged the UK to The court judged the UK to have failed to comply with Article 5 of the convention under which those arrested "shall be brought promptly" before a judge or legal officer. The UK was also wrong to deny those detained "in contravention of the convention" an enforceable right to compensation under Northern Ireland law.

However, the main court rul-ing - by a 12.7 majority of the court's judges - made no judg-ment about the possible overall duration of detention for terrorist suspects. In recognising the special problem terrorism presented in Uister, the court id "the context of terrorism in Northern Ireland was there-fore held to have the effect of prolonging the permissible period of police custody prior to appearance before a judge". The UK's offence had been simply to prolong that period a bit too far, the court suggested. Ministers were last night insisting that they would have to study the 40-page court rul-ing in detail before taking any decisions. But Mrs Margaret Thatcher, the Prime Minister, as adamant in the Commons that the police would be given adequate powers to fight ter-

rorism effectively.

Mrs Thatcher also stressed that the Government had to take account of the human rights of the victims and potential victims of terrorism in framing its legislation.

Some comfort was being taken in Whitehall from the

court's acceptance that the

powers of the Prevention of Terrorism Act to detain sus-pected terrorists were justified. What is at issue is the length of detention without access to "judicial authorities". At present the police can hold a suspect for 48 hours before having to seek authorisation for fur-ther periods of detention from the Home Secretary or North-ern Ireland Secretary up to a

total maximum of seven days. The Northern Ireland Office The Northern Ireland Office stressed that more than 80 per cent of those detained under the act had been charged or released within a five-day period and more than 50 per cent of those detained for six days or longer were subsequently charged with serious offences, including murder and attempted murder.

ttempted murder. While the Government is not ruling ont seeking a deroga-tion, it may decide either to reduce the overall period of detention to the Enropean average of 72 hours, or make provision for a court hearing during the first 72 hours, at which it would seek a further period of detention. It is likely to announce its initial response to the court ruling by mid-De-cember when the new Prevention of Terrorism Bill comes before the Commons.

European Court officials said they expected Britain to comply with the judgment, as it had done with the 21 previous human rights rulings that had gone against it.

They discounted the possibility that the Government might successfully seek a decognition visions of the European

Until 1984 Britain had such a derogation for Ulster in the context of special legislation then applying to the province.

The officials pointed out thet the current Prevention of Ter-rorism Act applied to the whole of the UK, which could not be argued to be in a state of "war or other public emer-gency threatening the life of the nation". This is the phrase in Article 15 of the convention,

under which derogations can be justified. They noted that while periods of detention without judicial review in Northern Ireland may have outstripped those prevalent in the rest of Europe - where a maximum of 72 hours was the legal norm this was not so in Spain, where a suspected terrorist could be detained without indicial review for 72 hours, plus a pos-sible further extension of seven days by the executive, although a Spanish indge had to be notified of such an extension and could order release of

While officials stressed that Britain would respect its obligations under the human rights convention, there will be pressure from Conservative MPs, Ulster Unionist politi-cians and the police in North-ern Ireland to retain the seven-day detention period. Mr Alan Wright, chairman of

the Police Federation for Northern Ireland, which repre-sents more than 10,000 Royal Ulster Constabulary officers, said it was essential that the

Conspiring to cloud the issues

A.H.Hermann analyses differing views on the law of conspiracy

NY ATTEMPT to make a legal analysis of the UK request to extradite Father Patrick Ryan and of actual refusal of the Belgian anthorities and the imminent refusal of the Irish Republic to comply with this request, is tainted by an air of unreality: Beigium's fear of reprisals by the IRA and the political climate of Dublin, together with similar fears, seem to deprive legal arguments of all signifi-

Nevertheless legal arguments of sorts are likely to be crossing the English and Irish Channels in abundance. Trying to analyse them brings us up against a second cloud of unre-ality: the authorities asking for, or denying, the extradition are extremely vague in their claims making it difficult to know what their arguments

really are. The British request for extradition to Belgium, appears to have been based on a charge of conspiracy to commit murder between 1975 and 1988. Nothing more is known about the evidence which the Director of Public Prosecutions intends to present to the trial court. The quality of such evidence is an important consideration for the judicial and administrative authorities deciding on extradition in the country which holds the fugitive. The other three charges

specified in the request for extradition concern the possession of explosives and of 52 integrated circuits suitable for detonating explosives. The nature of these charges would make one assume that British



Father Patrick Ryan: alleged to have had bomb manual

authorities can offer some sub-stantial evidence, and indeed, according to reports Fr Ryan was arrested in 1976 by the Swiss authorities after be was found to be in possession of bomb-timing devices. Since this was not a crime under Swiss law, he was released 10 days later.

According to reports from British official sources, Fr Ryan has been collecting and laundering money for the IRA and huying arms and explosives, it is also alleged that when arrested in Belgium, he had numerous workshop manuals for making and handling bombs.

The common law offence of conspiracy has been substantially amended by the Criminal Law Act 1977. This defines the

offence as an agreement with one or more persons to do something which, if completed

as intended, would be a crimi-nal offence. Most extradition nal offence. Most extradition agreements and certainly the two with Belgium and the Republic of Ireland provide for extradition only if the suspected act would be a criminal offence in both the requesting country and the country holding the fugitive.

The republic's criminal law includes an offence of consoir-

includes an offence of conspir-acy parallel to the British; indeed, Mr Charles Haughey, indeed, Mr Charles Haughey, the Irish Prime Minister, was, acquitted in 1970 of conspiring to import illegally arms des-tined for the IRA.

The Belgian criminal code, by contrast, does not include an offence

denominated "conspiracy", though it has another similar one known as "associating with criminals". It can also be assumed that an agreement to commit an offence in co-operation with someone else, particularly when some practical steps were taken towards the criminal objective, could lead in Beighum to prosecution for a

a widely used device to prevent the intended crime taking place. It is used in connection with fraud, and still survives as the common law offence of conspiracy to defraud.

It has, however, always attracted the greatest attention when used against politically motivated conspirators. Here, agreement can often be proved only indirectly, by parallel actions of the conspirators which could not be explained

without a prior agreement.

The offence of political conspiracy got a particularly bad name in Communist countries where convictions were obtained on the filmsiest of grounds: in the early 1950s to buy a railway ticket for a relative who returned to a country illegally from abroad was often enough to result in a 20-year prison sentence.

This indicates the enormous

elasticity in the offence of conspiracy and the ease with which it can be abused. In their turn, authorities which are asked to extradite someone accused of criminal conspiracy can, if they are reluctant to comply, use the suspicion of a possible abuse as an argument

PM 'dismayed' by Belgian decision By Tom Lynch

MRS Margaret Thatcher, the Prime Minister, yesterday attacked the Belgian and Irish governments over the events which led to the disappearance in Ireland of Father Patrick Ryan, whose extradition Britain is seeking for alleged terrorist offences. She told MPs at Question

Sige told MFs at Question.

Time she was "utterly dismayed" at the Belgian decision to refuse to extradite Fr Ryan last week, after he staged a 22-day hunger strike. He returned to a clinic in Ireland, from which be discharged himself or Medax in suits of extradit. on Monday in spite of extradi-tion proceedings by the British Government.
She said fresh extradition

warrants had been acquired for Fr Ryan on Friday and sent to Dublin "together with all the documentation required by the Irish Attorney General," who had taken no action. "It is no use governments

adopting great declarations and commitments on fighting terrorism if they lack the resolve to put them into prac-The failure of the Irish Attorney General to secure Fr

speeches and statements, they

Ryan's arrest was "a matter of very grave concern," said Mrs Thatcher, "Although the Government of the Republic of Mr Kirkhope said the Belireland makes fine-sounding



Michael Mates: 'abject surrender' by republic

do not always seem to be backed up by the appropriate deeds."

From the Conservative back benches, Mr Timothy Kirkhope (Leeds North East) and Mr Michael Mates (Hampshire East) expressed anger over fr Ryan's disappearance.

gian decision was "utterly shameful." Events in Ireland showed "apparently deliberate lethargy," which cast doubt on the republic's commitment to the fight against terrorism. Mr Mates urged the Prime Minister to make immediate representations to the Irish Government over its "abject surrender for short-term politi-cal gain."

cal gain."

Despite the "fine words" of the Anglo-Irish agreement, the republic was still seen as a safe haven for terrorists.

Mr Paddy Ashdown, leader of the Social and Liberal Democrats, distanced himself from the "overheated rhetoric" of Tory backbenchers, but said events in Ireland were particularly disturbing in view of the forthcoming review of the Anglo-Irish agreement.

Angio-Irish agreement. After Question Time, Mr John Hume, leader of the Social Democratic and Labour Party, protested that nobody been called in the course of questions to put a differing point of view. He and some Labour backbenchers called on the Government to make a full statement about the affair. · Later, Conservative backbenchers reacted angrily when Mr Edward Heath, the former Prime Minister, appeared to suggest that British lack of co-

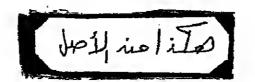
operation in European initia-tives created the climate for decisions such as the Belgian refusal of extradition.

During the debate on the economy, Mr Heath renewed his call for full UK membership of the European Monetary System and accused Mr Nige Lawson, the Chancellor, of being "politically insensitive" in falling to understand the attitude of other European Community members when the UK took positions which they believed were against their interests

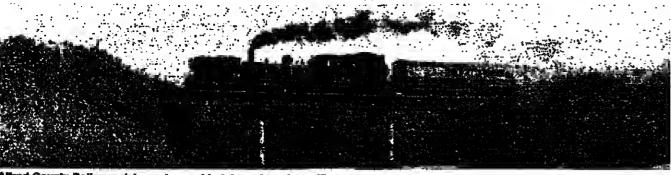
Mr Norman Tebbit, the for-mer Conservative Cabinet min-ister, said Mr Heath appeared to imply that the Irish or Bel-gian attitude towards the extradition of suspected terror-ists was "conditioned in some way by the attitude of this country towards the EMS."

Mr Heath retorted: "The attitude of countries is affected psychologically by how other countries behave towards them Anyone with experience of international politics under-stands that full well."

Challenged by other Conservatives, he maintained that lack of co-operation spread a psychological attitude among



MANAGEMENT



Alfred County Railway: rising volume of freight and tourist traffic

Rolling along private lines

Anthony Robinson on the resurgence of a South African railway

The spirit of enterprise small, but scenic corner of South Africa's railway system. Eighteen months after it was closed as uneconomic by the state-owned South African Transport Services (SATS), the 122-kilometre narrow-gange line from Port Shepstone on the Natal south coast which runs through rolling timber, tourism and sugar country up to Harding, re-opened as a private enter-prise called the Port Shepstone and Alfred County Railway Company (ACR).

Shourg

1 2

13.11

7 17.2

772230

....

. .

. .

. .

. : 145

The Park Co وفكت المساب

The move to save the line began shortly before its closure in October 1986 when local timber growers, husinessmen and ateam railway enthusiasts formed the Alfred County Railway Committee. A year later, prompted by the enthusiasm of American steam railway enthusiast Al Jorgensen and railway civil engineer Charlie Lewis, the new company was

Jorgensen is convinced that the privatised railway can make a healthy profit for Itself, pay taxes to government and supply SATS mainline with a rising volume of freight traffic trans-shipped by cranes onto SATS broader gauge at Port Shepstone.

Entrepreneurship, and determination to pare costs and pro-vide a first class service are

The railway bas already proved itself a major tourist attraction for southern Natal and guarantees the further economic development of a rapidly growing area. Black purchasing power and economic. development has been boosted in recent years hy higher wages for black workers from the surrounding Transkei and

Privatisation has been pushed to the top of the South African government'a economic priorities, a major ideological shift for a government which for decadea believed firmly in a form of Afrikaner national socialism to provide jobs and status for its white

Afrikaner aupporters. The state is still far and away the biggest employer of whites.

Under the circumstances, the move to privatise many of these industries is not university prompter. sally popular. Many worry that state monopolies will be replaced by private or near monopolies without any corresponding gain in efficiency or profit to the community. Privatisation is opposed by the right wing white conservative party and white trade unions aa being a "sale of the (Afrikaner)

family silver". Cosatu, the biggest hlack union federation, meanwhile, is ideologically committed to more, not less, nationalisation in line with the 1956 "freedom charter" which calls for nationalisation of the major hanks and corporations to gain worker control over the econ-omy's "commanding heights". ACR has emerged out of what is still the largest single

employer in the state sector. SATS has recently undergone a re-vamp of top management and created a leaner, more market-oriented organisation after mounting evidence of grosa mismanagement. Last week a government-appointed commission of inquiry found that SATS had suffered R3.2 bn (£750m) of foreign exchange losses as a result of the previ-ous management's failure to protect the company from the depreciation of the rand. Management's reluctance to drop apartheid from its rail and other services contributed

to a dramatic fall in passenger traffic as blacks deserted trains to their millions for the new black-owned private taxi services. This forced SATS to cut back its long distance trains by about 90 per cent this year and to are dozens of unprofitable hranch lines like the ACR. A major plus for the new pri-

vate operator is the fact that SATS sold locos, rolling stock and equipment at virtually scrap prices. Wagons which would cost over E75,000 to replace were bought for R400 to R500 each. Locomotives with a spares value of around R100,000 were bought for between R3,500 and R10,000.

By converting loco boilers to an enhanced efficiency comhustion system called "gas pro-ducer combustion" ACR expects to reduce coal con-sumption by 20 per cent, increase power and run heav-

ier trains at higher speed.

A further productivity gain is promised by the simple device of removing 16 out of the 20 steel pillars used on conventional pulp log wagons and loading the timber sideways to pre-packed bundles instead of separately and lengthwise. The net result has been to reduce the weight of each wagon by 2% tons, or 40 tons per train, and more than double the carrying capacity of each wagon from 8 to 18 tons. As a result the net payload per train has been raised from 90 to 180 tons. Experiments with containers have also proved that the narrow, 610 mm wide line can also take full-sized container traffic on slightly modified wagons.

Timber is crucial to the pri-

vatised railway's success, although its most profitable operation is expected to be the tourist passenger trains.

tourist passenger trams.

Hardiug, a charming hill town of tin-roofed hungalows surrounded by sub-tropical trees and plants, is the centre of the fastest growing timber area in the country. The forests are expected to double current annual production of 200,000 tons of round timber over the next decade. Most of it is processed in the pulp mili at Umkomass on the SATS Mainline, halfway between Port Shepstone and Durban.

By huilding a new timber depot and weighbridge at Hard-ing and keeping tariffs competitive, ACR expects to pick np tha hulk of timher traffic which at present uses a badly disintegrating road.

According to a prospectus issued in March when the company offered 1.8m shares to raise R1.8m, pulpwood ahould provide 56.4 per cent of ACR's estimated revenue in 1991 with treated timber contributing another 5.4 per cent, against 18 per cent for general cargo serving the 320,000 people within a 40 km radius and 20 per cent coming from more frequent

If all goes according to plan ACR expects by 1994 to be earning profits of over Rl.Im on turnover of R5.72m after paying over R400,000 to SATS as royalties. It also expects to pay the government nearly R562,000 in taxes on a railway which in 1986 paid no taxes and lost SATS R7.6m. If ACR is as successful as its

backers hope, their example could be followed in at least 10 other parts of the country recently deprived of their branch lines.

Management abstracts

Testing a model of quality circle processes. K.R. Jennings in Consultation: an International Journal (US). Spring 88

(10 pages)
Deplores the fact that, not withstanding the very large withstanding the very large number of organisations that have QCs, little research has been dooe on the underlying processes. Seeks to fill the gap hy setting up a model in the expectation that over time the participation of members in QC groups would highlight the hypothesised interconnections among the modelled variables: the variables were also mea-sured in a control group. From the data obtained, draws con-clusions on the strategies practitionera and consultants should employ to increase the

should employ to increase the effectiveness of QCs.
Linking R&D computers to corporate information systems. D. Stamps in Datamation (US). July 1 1988 (4 pages)
Asserts that R&D computers should feed information straight into corporate information systems, quoting exam-ples of each links, eg at Marion Laboratories the formula for a new drug, along with engineer-ing process control data is passed directly to manufacturing computers. Quotes R&D people as to why their systems should remain separate; traces hardware, software, and cultural aspects which have kept them separate, and describes integration progress at several

companies.

Make the most of computer aided design. T. Neill in Engi neering Computers (UK). July 88 (3 Dages)

Also titled "Squeeze the last drop from your investment", and to that end finds that existing CAD systems can be expanded and put to good use in a variety of other areas, eg as a desktop publishing system Expert systems: machines that think like you - sometimes better. G.L. Porter and E.J. Blocher in Financial Executive (US). MaulJun 88 (6 pages)

Categorises expert systems for financial analysis into three areas; production of relevant analyses; decision facilitators which produce exception reports; and decision-making systems. Uses a second type answers - to look at the figures of a now-bankrupt company and produce observations on possible courses of action.

These observacts are condensed from the obstructing journals published by Aubar Man-adjunctive Publishings. Liceraed copies of the original articles may be obstained at a case of 18 anch (Including VAT and y+y; costs with order) from Aubar, I'O Ban 23. Weathing MAS

Teachers back to training

David Thomas on the UK Government's management task force

ne of the most ambi-tious attempts yet to open up the few tracts of Britain still virtually uncharted by the management training industry was launched yesterday. The School Manage-ment Task Force was unveiled by Kenneth Baker, Education Secretary, in a new drive to instil management disciplines into the 20,000 primary and 5,000 secondary schools in England and Wales.

The potential represented by the initiative is large. Not only are schools collectively big money, accounting for more than £10bn of government spending each year, but the eople who run them are ripe for training.
David Styan, who chairs the

Task Force, reckons that coniderably less than a tenth of the school managers to he addressed by his task force have had any sustained man-agement training. And the target audience is large: about 55,000 head-teachers and their deputies, and perhaps the same number again of other senior staff such as departmental

These are precisely the peo-ple in the frontline of the Government's educational reforms, such as the new national cur-riculum and the delegation of many more decisions from local authorities to schools.

Styan, director of the Warrington-based North West Educational Management Centre, sees his prime job as to intro duce order into the currently fragmented scene. "There are lots of good things going on. But they are hitty, patchy, repetitive and some people can't get access to them at all."

This is partly a question of ensuring that training is available to senior managers in every school in the country; it is also a matter of raising the often patchy quality of existing schemes to that of the best. Demand is buoyant thanks

in part to the considerable sums being dedicated by the Government to management training in schools. But Styan sees the supply of trainers as the main constraint, at least for the next few years. "The particular bottleneck at the moment is good quality deliv-

A former head-teacher whose management centre is funded by a consortium of local authorities in the north-west, Styan points to three ways of

increasing that supply.

• Encouraging more companies to lend a hand in training heads and other senior teachars. Already a growth area, many large concerns have made a point in recent years of inviting heads on to their internal management training courses as part of their educacourses as part of their educational support activities.

Styan's own centre in the north-west has links with comnies as diverse as Pilkington. panies as diverse as Flishington, ICI, British Aerospace, Ferranti and Rank Xerox. He has found that heads value contact with senior industrial managers, from provided the people from industry do not assume they are there to tell heads how to run their schools.

 More commercial training and management consultancy organisations will enter the market, Styan believes, now that the educational reforms provide a clear need for more managamant training in schools and the Government is hacking that need with hard

Given the size of the task,
 Styan sees the greatest immediate potential in an emerging

Considerably less than a tenth of school managers to be addressed have had any sustained management training

trend for self-help. The idea is for a small number of heads or administrators in esch local authority to be trained in management and for them in turn to act as training consultants for the rest of their colleagues.

British Petroleum, a company noted for its educational work, is planning to launch an experiment in this cascade type of management training next year. "It is better to teach them how to fish than to give them fish," explains Chris Marsden, head of BP's educa-tion unit, in a wholly unironical reference to conventional wisdom in Third World development work.

Early next year, BP will be laying on tailor-made 19-week courses for heads and education officers from five education authorities - Bexley, Merton, Havering, Essex and Hertfordshire. At the end of their stint with BP, they should be able to act as man-

anagement training co-ordinators in their local authority.

David Syan is clear as to the most in demand by the people Much comment has focused on narrow skills needed for their most in demand by the people Much comment has focused on narrow skills needed for their most in demand responsibilities.

Act, but Syan believes this to school managers may benefit from some initial training in reading a balance sheet, presiding a balance sheet, presiding a balance sheet, previous much more crucial, in styan's view, is helping heads to manage the introduction of throuseforming first introduction of transforming first introduction of transforming first in the parties.

to manage the introduction of the various initiatives now transforming British education. "The aspect which is imposed change."

The nebulous, but crucial skills of reaching decisions in complex organisations and then carrying them through with the consent of colleagues are what many school heads lack. "It is also the most obvious area where school staff feel ous area where school staff feel they have something to gain from industrial emperience."

Styan maintains.

His task force will draw up an initial report by next spring on how to move management training in schools onto a new level. Its recommendations will be carried through over the next three years.

There will be no shortage of suggestions for a more radical approach if Styan's task force does not deliver the goods. One is set out in a book published today by two US professors of edocational administration, Bruce Cooper and Wayne Shute, who have been recent visiting fellows at London University's Institute of Educa-

All US school heads and administrators have to hold a certificate of formal manage. ment training as a condition of their employment. Cooper and Shinte suggest a similar system for Britain; the British Government should lay down formal certification requirements for heads to take specificed courses and exams in management training.

Training for School Manage-ment: Lessons from the American Experience. Institute of Education, 10 Bedford Wey. London WCH OAL 56.50 incl

COMPANY NOTICES

De Beers Consolidated Mines Limited

NOTICE OF DIVIDENDS DECLARED ON PREFERENCE SHARES

DECLARATION OF DIVIDEND No. 159 ON THE 46 PER CENT DECLARATION OF DIVIDEND No. 159 ON THE 46 PER CENT CUMULATIVE PREFERENCE SHARES OF RE. 30 EACH Dividend No. 159 of One Rend (R1.00) per share in respect of the six months ending 31st December 1988, has been declared payable to the holders of the 40 per cent cumulative preference shares registered in the books of the Company at the close of business on 30th December 1988, and to persons presenting coupon No. 159 detached from the preference share warrants to bearer. A notice regarding payment of dividends on coupon No. 159 detached from share warrants to bearer, will be published in the press by the London Secretaries of the Company on or about 23rd December 1988.

DECLARATION OF DIVIDEND No. 27 ON THE 8 PER CENT CUMULATIVE SECOND PREFERENCE SHARES OF R1.00 EACH

DECLARATION OF DIVIDEND No. 27 ON THE 8 PER CENT CUMPLATIVE SECOND PRIFERENCE SHARES OF RIJOS EACH

Dividend No. 27 of 4 cents per share in respect of the six months ending 31st December 1988, has been declared psyable to the holders of the 8 per cent cumulative second preference shares registered in the books of the Company at the close of business on 30th December 1988. For the purpose of these dividends the preference share transfer registers and registers of members will be closed from 31st December 1988 to 13th Jannary 1989, both days inclusive, and werrants will be posted from the Johannesburg and United Kingdom transfer offices on or about 7th February 1989. Registered shareholders peld by the United Kingdom Registrars will receive their dividend in United Kingdom currency converted at the rate of exchange applicable on 3rd January 1989, less appropriate taxes. Any such shareholders may, however elect to be peid in South African currency, provided that the request is received at the Company's transfer offices in Johannesburg or the United Kingdom on or before 30th December 1988.

The dividends are psyable subject to conditions which can be inspected at the head office and London office of the Company and also at the Company's transfer offices in Johannesburg and the United Kingdom.

By order of the board

First Floor, Edura Johannesburg 2001 (PO Box 61051 Marshalltown 2107)

Hill Samuel Registrars Limited

6 Greencost Place London SWIP 1PL

29th November 1988

De Beers

Head Office: ockdale Street

& National Westminster Bank PLC (Incorporated in England with limited tiability)

> Issue of U.S.\$ 500,000,000 PRIMARY CAPITAL FRNs (Series "C") (Floating Rate Notes)

In accordance with the provisions of the Notes, notice is hereby given, that for the three months interest period from November 30, 1988 to February 28, 1989 the Notes will carry an Interest Rate of 9%% per annum.

The interest payable on the relevant interest payment date, February 28, 1989 against Coupon No.13 will amount to U.S.\$ 240.63 for Notes of U.S.\$ 10,000 nominal and U.S.\$ 2406.25 for Notes of U.S.\$ 100,000 nominal.

KREDIETBANK

PERSONAL

U.S.\$ 300,000,000 Floating Rate Notes due 1995 In accordance with the provisions of the Notes. notice is hereby given that for the interest period from November 30, 1988 to May 31, 1989

1.0

CIT CREDIT LYONNAIS

the Notes will carry an interest Rate of 9%% p.a. The interest payable on the relevant interest payment date, May 31, 1989 against coupon nº 12 will be U.S.\$492.92 per Note.



The Floral Agent KREDIETBANK S.A. LUXEMBOURGEOISE



ESCOM Electricity Supply Commission

ECU 50.000.000 Floating Rate Notes due 1990

In accordance with the terms and conditions of the Notes, notice is hereby given that for the Interest Period from November 30, 1988 to February 28, 1989 the Notes will carry an Interest Rate of 84% per annum.

The interest payable on the ralevant Interest Payment Date, February 28, 1989 against coupon Nº15 will be ECU 20.63 per Note.



D'ALGERSE . In accordance were the provisions of the Agency Agreement Services and Cibbank. M.A. deaded an of May 22, 1986, notice is hereby given that the interest has been food at \$1.75% p.z. and that the Coppon Anneuer breakt as and that the Coppon Anneuer breakt or May 31, 1986, against Cospon No 2 with be USS482.52 for each Noter of US\$10.000 and US\$4.252,17. for each sect Note of Coppon No. 2 with the US\$482.52

NOTICE OF RATE OF INTEREST

BANGUE EXTERIEURE

EVERARDS BREWERY LIMITED

MOTICE is hereby given that the transfer blocks and register of the 5% Cumulative Preference Shees of the above named Company will be closed on 16th December 1865, to facilities the preparation of the payment of the half-pearly dividend on 31st December. BY ORDER OF THE BOARD P. STEPHENS, IAL DIRECTOR

LEUMS INTERNATIONAL
INVESTMENTS N.V.
US 50 MILLON GUARANTEED FLOATING
RATE NOTES 1989 EXPENDELS AT THE
HOLDER'S OPTION TO 1992 (240 ISSUE) The interest rate applicable to the above Notes in respect of the six month period commenting Wednesday, 30th November 1988 has been fixed at 91 Vactoper amount asso ras been made at 9 VAS per annu-The interest amounting to US \$48.95 per US \$1,000 principal amount of the Notes will be paid on Viednesday. 31st May 1989 against presentation of coupon No.13. BANK LEUM TRUST COMPANY OF NEW YORK and Paving Agent bank leumi ישמר שום 🔀

GENEVA SWITZERLAND Full Sérvice is our Busines

maximal law and taxes Mailbox, telephone, telex and telecopier services Translation and secretarial ser

Full confidence and discretion assured. BUSINESS ADVISORY SERVICES S.A.

RESIDENTIAL PROPERTY

Something new...



The Pembroke... at Brentwood.

Introducing new four and five-bedroom

nomes with more to offer than ever beforet After extensive market research, we believe we've come up with everything the homebuyer wants in a new luxury house. You'll find many new desirable features. A breakfast room, study, and utility room for example, space for an optional conservatory... New styles of windows and brickwork... Even a

stunning galleried dining room in one of the four new house styles! What's more, all homes have double garages and carefully landscaped front

Beautifulty set amongst mature trees. Surrounded by scenie countryside... Humon Poplars is ideally situated within walking dista

Hutton Poplars, Rayleigh Road, Hutton, Nr. Brentwood, Essex: Tel: (0277) 261585. Sales Centre open from 10.00 am - 5.00 pm 7 days a week. Head Office Tel: 01-679 7862. 4 and S bed detached houses from £250,000 to £350,000. Prices and availability correct at time of going to press.

away at Benfleet.

WATES WILL FREEZE YOUR MORTGAGE AT 10% FOR A WHOLE YEAR!* Contact our sales staff for further details.

the area have a splendid reputation. Many leisure

facilities are available locally, and watersport

enthusiasts will be spoilt for choice just 13 miles

The outstanding properties in this exclusive position are available for purchase immediately, so

why pot come and see our show homes right now?



PALMA DE MALLORCA

For: sale in the aristocratic section of the city, uninhabited beautiful XVIIth century nansion - renovated in the XIXth century. 565m2 on the ground

floor, 2 levets on entresol - large apartment on the 1st floor with marble hall, parquel floors, stained-gizss windows, interior garden. 4 apartments on 2nd floor (need renovation). An exceptional terrasse with view of the cathedral and the sea. Patio, well garages plus

120 millions plas. Tel. (971) 72.15.79, in Paima, the morning between 7.30 and 10.30

servant quarters.

LEGAL NOTICES

No. 006588 of 198 THE MOST COURT OF JUSTICE

THE MATTER OF NORTHERN NEERING NOUSTRIES PLC IN THE MATTER OF THE COMPANIES ACT

NOTICE IS HERENY GVEN that a Petition was on the Notice of November 1988 prosessed to the major of the Ambour of Justice and the This confirmation of the the confirmation of the the confirmation of the above Company as at the 1990 model 1988 amounting to 22 SELTR. 15.

AND NOTICE IS COMMAN GIVEN that the said Petition is covered to be heard before the provided the command of the covered the command of the covered that the covered the covered the covered that the covered the covered that the covered the covered that the covered the covered the covered that the covered the covered the covered the covered that the covered the covered the covered that the covered the covered that the covered the covered the covered that the covered th

DATED his som or if he

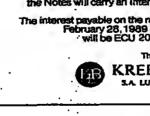
SCOTLAND The Property to publish the same 9th Decrober 1988 For a full one of please contacts or were to been at: 37. Gard Suret. Edwards Eth. HN Eth. 19 1573 Fax: 0

FINANCIALTIMES

... 77

विद्युक्तमञ्जूष्य विकासिको । स्टब्सिको । स्टब्सिका





Highlights of 1987/88 ANZ Group Results for the year to 30 September 1988.

'Curent indications are that ANZ's profit and key profitability rates will continue to improve" Sir William Vines, AC, CMG, Chairman.

	1988	% CHANGE
Net interest and other income	£1,653.8m	+20.5
Operating profit before tax	£447.0m	+18.2
Operating profit after tax	£234.8m	+31.1
Return on average shareholders' funds	15.1%	+15.3
Earlings per share	33.0p	+26.6
Total dividend (Final to be paid 10 February 1989)	16.0p	+49.0
Special dividend (To be paid 21 April 1989)	12.0p	N/A

All amounts are expressed in Sterling converted at 30 September 1988 rate.

The Group's Annual Report will be posted to shareholders on 21 December 1988 The Annual General Meeting will be held in Melbourne on 23 January 1982. A meeting of United Kingdom shareholders will be held on Tuesday. 14 Jebruary 1989 at the Merchant Taylors Hall, London commencing at 4.30pm. Shareholders will be advised of further particulars shortly.

ANZ Worldwide

Australia and New Zealand Banking Group Limited.

FT LAW REPORTS

Buyers of broker business liable for non-completion

BRITISH AND COMMON-WEALTH HOLDINGS PLC V QUADREX HOLDINGS INC Queen's Bench Division (Commercial Court): Mr Justice Hirst: November 24 1988

WHERE THE buyer of a business unduly delays completion, time becomes of the essence of the contract though no specific completion date was fixed, if the seller gives reasonable notice that he requires performance by a certain date, and if the agreement as a whole and the nature of the husiness show that the parties were to use the utmost diligence. And the fact that the seller knew the buyer was having difficulties in raising finance for the purchase price is irrelevant to the question whether notice was reasonable

in the circumstances.

Mr Justice Hirst so held when giving summary jndg-ment for the plaintiff, British and Commonwealth Holdings plc, against Quadrex Holdings Inc, a US company registered in Delaware, in an action for hreach of contract arising out of the sale for £280m of two money-broking businesses. HIS LORDSHIP said that on

July 16 1987 B & C offered to buy the entire share capital of Mercantile House Holdings. At the same time it announced its intention of selling Mercan-tile's wholesale broking divi-sion consisting of MW Marshall & Co, an English international money broking company, and William Street Holdings, a US broker in US government securities.

On August 13 it was agreed between B & C and Quadrex, that if B & C acquired 100 per cent in Mercantile House it would transfer the wholesale hroking division to Quadrex for £280m. Specified completion arrangements were to take place "as soon as reasonably practicable" after certain con-

ditions had been satisfied.

In September Quadrex entered into a loan agreement with Citibank, to fund the purchase price. The financing terms were confidential and terms were confidential and did not come to B & C's knowledge until October. One of the conditions of the loan agreement required the cooperation

of the directors of Marshall. They refused to give that cooperation and Citibank subsequently refused to fulfil its commitment on the ground that Quadrex had failed to comply with all the express conditions of the loan agree-

Quadrex was unable to complete the agreement with B & C on the provisionally agreed date of December 17. nor the subsequent date, January 6. On Lanuary 6. January 25 B & C wrote to Quadrex giving notice that it required completion no later than February 28, and that unless Quadrex completed by that date B & C would treat its failure as a repudiation of the

Quadrex failed to comple on February 28. B & C applied under RSC Order 14 for summary judgment against Quadrex for breach of contract. It was only entitled to summary judgment if it could establish that it had a manuscreament. that it had an unanswerable case on liability, to which there was no arguable defence.

B & C contended and Quad-

rex denied that it was an implied term of the agreement that time was of the essence of the contract, and that the notice of January 25 was reasonable notice.

The general principles relating to time being of the essence were correctly summarised in Chitty on Contracts 25th ed para 1391. At Common Law in the absence of contrary intention, performance of the contract had to be carried out on the exact date specified. A party could treat the contract as repndiated if the other party's performance was not

completed on the fixed date, since time was off the essence.

In equity the court gave relief against failure to keep the assigned date "if it could do justice between the parties". By section 41 of the Law of Property Act 1925 the rules at law were now the same as

Only in three cases, said Chitty, was time of the essence of the contract: (1) where the parties had expressly stipn-lated that the time fixed for performance must be exactly compiled with; (2) where the circumstances of the contract or the nature of the subject

date must be exactly complied with; (3) where time was not originally of the essence of the contract but one party had been guilty of undue delay and notice was given by the other fixing a reasonable time for performance. In deciding what was reasonable notice, the court would take into account

all the circumstances. Mr Grabiner for B & C submitted that time was of the essence. Mr Waller for Quadrex submitted as a matter of principle that time could only be of the essence if the contract itself laid down a fixed date, and only then did the question arise as to whether that fixed date was of the essence of the

Mr Waller's propositions were unsound. Macbryde v Weekes (1856) 22 Bean 533 showed clearly that even though no fixed date was nomi-nated, time might necessarily be of the essence in equity in the sense and to the extent that it was incumbent on the parties to use their utmost diligence. Post Chaser [1982] 1 All ER 19 was clear authority for

the same proposition.
Whether time was necessarily of the essence in the sense described in Macbryde and Post Chaser depended on the terms of the agreement as a whole, and on the nature of the snbject matter to which the nent referred.

In the agreement the provision that completion arrangements should be made "as soon as reasonably practicable" after certain conditions had been complied with, pointed strongly to time being of the

Those considerations were strongly reinforced by the nature and subject matter of the contract, namely the sale of a business in the financial services sector of a kind which was prone to rapid and signifi-cant fluctuations of activity, profitability and value.

Taking all those considerations into account, it was a case where equity considered time essential having regard to the damage which would be inflicted on the opposite party by disregarding it. Time was essarily of the essence of the agreement in the sense that it was incumbent on both gence to complete their part of the contract. In equity B & C were at liberty to fix a time limit for completion by giving

reasonable notice The question was whether the notice of January 25 was

reasonable notice. Mr Waller contended that the notice was unreasonable since when it was given B & C knew that Quadrex was unable to obtain the necessary finance

from Citibank It was for the buyer alone to arrange his finance by what ever means he chose, so as to place himself in a position to pay the purchase price in accordance with the terms of the contract. If his arrangements proved inadequate for the purpose, he would be in breach of contract, and must bear the responsibility. Any other rule would result in com-

Quadrex's own difficulties in ohtaining finance were not part of the relevant circumstances which might be taken into account in deciding whether the length of notice was reasonable. Equally the ability of the Marshall's directors to block the funding by Citibank could not possibly be a relevant consideration in considering reasonableness of notice, since it stemmed from Citibank's terms accepted by Quadrex in September unknown to B & C.

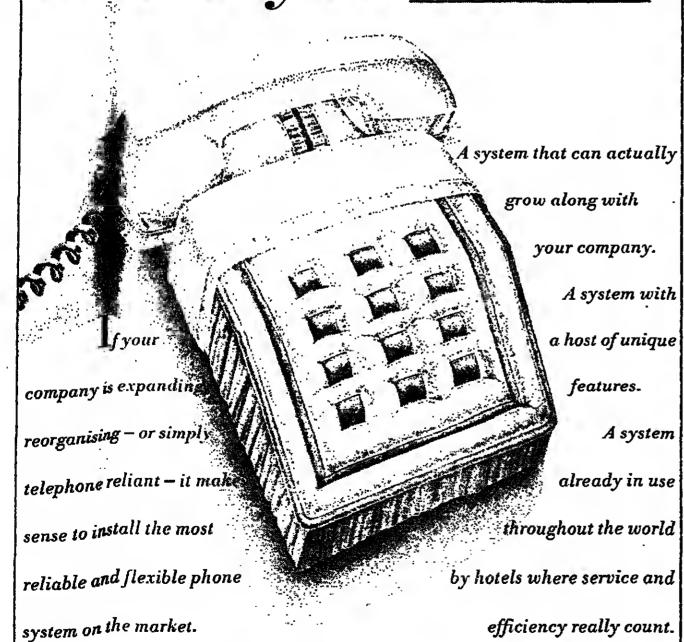
The circumstances were overwhelmingly in favour of the view that notice was reasonable. Time was of the sonable. Time was of the essence of the agreement. Target dates of December 17 and January 6, accepted by Quadrex, had gone by. Five weeks' notice from January 25 was reasonable. Quadrex had no arguable defence on that ground and could demonstrate an arguable defence on Habil. no arguable defence on liabil-

Quadrex failed to raise any triable issue. B & C was there-fore entitled to summary judgment on liability, damages to

For B & C. Mark Waller QC. Nicholas Padfield and Dominic Dowley (Slaughter and May) For Quadrex: Anthony Grabi-ner QC and Nicholas Stadlen (Herbert Smith & Co)

Rachel Davies

VILLY more and more hotels rely on MITEL.



IF YOU DEPEND ON THE PHONE FOR YOUR LIVING, DEPEND ON MITTEL FOR YOUR PHONE.

For more information, call Chris Bayntuz at local rates on 0345 078767. Mitel Telecom Limited, Portskewett, Gweat NP6 4YR.

CHOOSE FOR 1989?

WITH OVER 100 PAGES OF METICULOUSLY RESEARCHED INFORMATION - PRESENTED IN A CHOICE OF 4 SUPERB FINISHES - THE FINANCIAL TIMES DIARY MUST BE YOUR CHOICE FOR 1989

Apart from making day-to-day planning stupler and more efficient, the financial Times Desk Diary is indispensable as a permanently ready reformes source. In fact, it's like having an international business data have on hand whomever you need it. Hew, saldle improvements in design and layout give 30% more space on the dayto-day and notes pages. Also, to easure that the data in the FT Riary is right up to the minute, we've added information that reflects changes in the

As you would expect from a highly respected newspaper like the Financial Times, information has been meliculously researched wife everything easy to find and clearly laid out. Whether you need key statistical data, business vocabulary in

world's financial markets.

German, French or Spanish or to know which airlines by to a particular city, the diary will tell you. It can help you plan your trip to the finest detail with useful information on visas, customs, business books and local holidays, for example, in over 55 countries. THE DIARY OF THE YEAR - IN THE BINDING OF YOUR CHOICE

According to your laste and budget there's a selection of cover-hindings—Rich Black Leather, Burgundy Boxistal Leather or Black Leath ciots. And for those who want the ultimate to quality and craftsmungship there's the Chairman's Sat, consisting of a matching desk and pocket diary, bound in sumplement rich in own leather with fine gold looking. THE PINK DESK DIARY

Produced is response to the demand for a smaller more portable FI Diary, the FT Plack Desk Diary with its FT plack pages and innovative format is quite majore. Its distractive size and skepe make it equally at home on a desk or in a briefcase. The page-a-day layout gives you ample space for notes and husiness expenses. Although more compact than its standard counterpart, it contains much of the same information.

FI Pocket Diaries and Walleds are available in a choice of biadings to match the FT Desk Diaries. THE WORLD'S MOST APPRECIATED

BUSINESS GIFTS FT Blacks will be doubly welcome if they are personalised with the recipient's name or initials in high quality, long-lasting goldblocking.

Or you might wish to include your company name or logo – the perfect way of ensuring your clients will finish of your company every working day. We can also include a special eight-page section to promote your limit. In fact, for lotal exclusivity, we can produce any of our products in any colour or markets!

THE FT COLLECTION - A TRADITION OF EXCELLENCE

Francial Tieres Diaries is just one range of seperbly crafted liens in the FT Collection. Other frans include the acclaimed FT factourster personal time and lask management system, a new range of boardroom ssentials and, new for 1989, the stylish FT Wall Cale Discounts of up to 25% on bulk orders - providing you order well in advance. To qualify, you must order 25 or more items from the same product range — the order form gives details. However, on do appreciate that it may be difficult to complete your finel gift list early in the year.

That is why we offer to reserve FI diaries and gift for early in the year.

That is why we offer to reserve FI diaries and gifts for you without childpaffon or commitment. Contact as now or 01-799 2269.

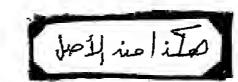
Let like FI produce a special gift for you. Why not use our experience and browledge to produce a specially commissioned gift of your choice? We'd welcome like opportunity of discussing any ideas you say have. Seed for the tree FI Collection catalogue now. Write or



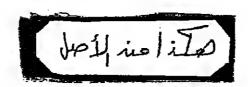
A TRADITION OF EXCELLENCE Fi Business Information Ltd, Registered Office, Brackes House, 10 Casson Street, London SCAP 48Y.

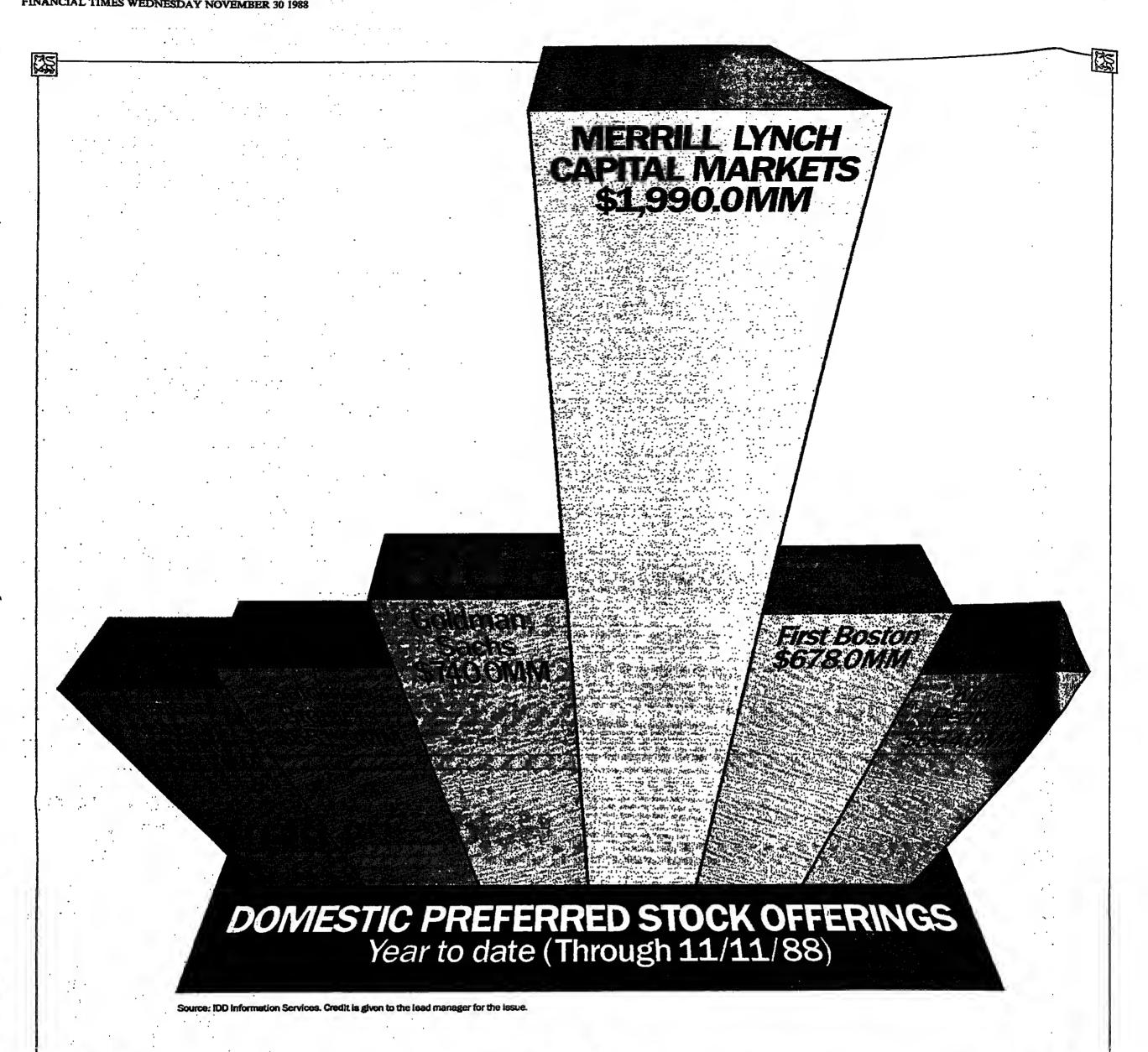


TOR FLACTER INFORMATION ON BULL GROUPS. Meage Main Mai, Modelle or Debue on D1-799 2269 dr 01-799 2002



SS





Once again, Merrill Lynch is preferred.

Merrill Lynch is the confirmed leader in preferred stock because our distribution system and diverse preferred stock products reach the entire spectrum of investors—from the large corporate cash manager and institution to the retail investor.

Our leadership in preferred stock also extends to execution and product development. The Merrill Lynch trading desk provides issuers with optimal execution, while assuring liquidity to investors. Our innovative products have created opportunities for issuers and have given investors flexibility in achieving their goals—products like

remarketed preferred stock, exchangeable preferred stock and preferred stock for funds.

Distribution strength, innovative products and expertise in execution have made Merrill Lynch the leading underwriter in preferred stock. Whether you're an issuer or an investor, this means one thing-you come out way ahead.



Merrill Lynch International & Co. is a member of The Securities Association

Setting the pace in concrete research

materials.

By Hilary Barnes and Xueling Lin

A SMALL Danish company, G. A SMALL Danish company, c. M. Idorn Consult, is pioneering a much more scientific approach to concrete technology through the use of computer simulations and a type of

The Danish conanitancy named after its founder and director, Gunnar M. Idorn, is a subsidiary of the Danish consulting engineers and planning group, Ramboell & Hannemann. Idorn has established itself as a world leader in concrete technology and is employed on a wide range of

Concrete is a versatile material. Idorn uses a technique called fluorescent microscopy to control the quality of the mix, as well as to check for defects in existing structures.

Slices of concrete thinner than a human hair are examined to see how the three hasic ingredients - cement, sand and aggregate (coarse stones) sit together.

Computer simulation is used to find the optimum combination of the three ingredients. Certain combinations give greater density to the concrete and, for example, make it

This point is crucial to the Channel Tunnel, one of the projects on which Idorn has been engaged. Its research into the microstructure of the material will be used to maximise the durability of the tunnel's concrete casing, which is being constructed on the assumption

that it will last for a century. Beneath the Channel, the casing will face exposure to salt water at pressures of up to cheaper than clay.

Water must be kept out of to £70an. ence would cause a reaction hetween the alkalis and the

aggregate in the concrete, leading in the worst case to cracks in the tunnel casing. Another problem that would arise if water got in is that it would corrode the reinforcement Among Idorn's other projects is one that involves monitoring

a 6 km concrete quay in north-eastern Australia. Built in the mid-1970s, the structure devel oped cracks within a few years of exposure to the aggressive climatic conditions of high temperatures, high hnmidity The information gathered from the monitoring will help the owners of the facility, used

hy the sugar industry for hulkloading on to ships, to plan maintenance and repair and to extend the life of the quay. Idorn's research results into the porosity permeability, and flowability of concrete and the use of additives - are also

leading to some innovative uses of concrete. At its Copenhagen office, the company has bowls on display which appear to be made of bone china. They are in fact

made of concrete. ldorn has developed a method which gives concrete the consistency of clay. It can be moulded and shaped in the same way as the traditional

The advantages are that the finished product does not need firing and the raw material is

Malaria vaccine to be tested By John Wicks

According to the World Health Organisation, 215m people fall ill with malaria every

ecaffeinated coffee is meant to help you get to sleep, but at the moment it is the only sector of the generally somnolent coffee market that is showing any life. UK sales of "decaf" rose by 30 per cent in 1987 and industry sources estimate that sales this year will increase hy about 50 per cent

Even so, British enthusiasm for decaf is running behind that in many other Western countries. Eleven per cent of the coffee sold in the UK has had the caffeine removed, com-pared with 20 per cent in West Germany and more than 30 per cent in Spain and the US. Brands owned by Nestlé of Switzerland and General Foods of the US dominate the decaf

market in most countries.

The growing demand for decaf is driven both by evening coffee drinkers who do not want to be kept awake at night and by people searching for a "hcalthy lifestyle" who feel that caffeine is in some way bad for them. Market research by Nestle shows that most decaf drinkers are middle-aged women, not supplies trying to keep up with the latest food and drink fashions.

Coffee growers and manufacturers have somewhat ambiva-lent feelings about decaf, rather like those of the brewers ahout the boom in alcohol-free beer. They are worried over what they see as ill-founded fears about the safety of their main products, but at the same time delighted to encourage the fastest growing sector of the market.

Some retail experts believe that demand for decaf would increase even more quickly if consumers were not confused and a little concerned about the methods used to remove the caffeine. There is wide-spread suspicion that harmful "chemicals" are employed and that their residues may be left behind in the coffee.

Manufacturers use a wide variety of techniques, all of which remove at least 97 per cent of the caffeine originally present in the coffee, But the methods have many common features.

always carried out on green (unroasted) heans, because most of the characteristic coffee flavours emerge dnring roasting. Afterwards the decaffeinated beans are roasted and processed in the same way as ordinary heans to make instant, ground or filter coffee. The basic decaffeination process involves first wetting or steaming the green beans to

The route to a perfect cup of coffee

Clive Cookson examines the growing demand for "healthy" methods of decaffeination

The caffeine is then removed with a solvent. Three types of solvent are in commercial use:
Organic chemical solvents. The world's first commercial cecasseination plant, opened by Kaffee Hag in Bremen, West Germany, in 1906, used benzene, but today methylene chloride or ethyl acetate is pre-

 Carbon dioxide. In the 1970s Hag – now part of General Foods – developed a process using hot carbon dioxide at high pressure (more than 100 atmospheres). Under these conditions the carbon dioxide is a "supercritical" fluid which behaves like both a liquid and a gas. It is a highly selective solvent, removing the caffeine without affecting the other natural chemicals which give the coffee its flavour when the beans are roasted. The caffeine separated from the circulating carbon dioxide hy absorp-tion on extremely finely powdered carbon, known as

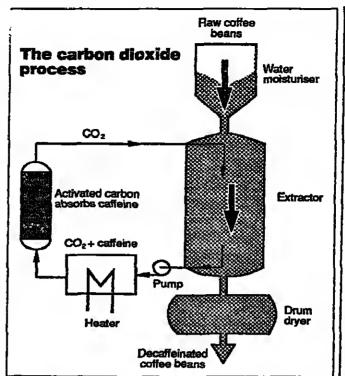
Water, Hot water washes caffeine out of coffee beans very effectively hut unfortu-

activated carbon.

open up their cell structure. bon dioxide, it also dissolves The caffeine is then removed out a lot of water-soluble flayour components which have to be put back into the beans later. After the green beans have been steeped in water, caffeine is removed from the solution, either using a solvent such as methylene chloride or activated carbon that has been treated to prevent it absorbing the caffeine-free extract is concentrated by evaporation and returned to the partially dried

Until very recently, most cof-fee was decaffeinated with organic solvents, and methylene chloride is still used extensively in Europe. But the industry is now changing to carbon dioxide and water, under pressure from consumer advocates, particularly in the US, who say that tiny residnes of solvent left behind in the beans could be a health hazard. General Foods has adopted Hag's carbon dioxide process for all its decaffeinated hrands and Nestlê now uses a water extraction process.

Although the US Food and Drug Administration reaffirmed its approval of methy-lene chloride for decaffeination



in 1985, after a thorough investigation, consumer groups still believe it should be phased out. "Our view is that there might conceivably be a risk," says Melanie Miller of the London Food Commission. "Why should we take that risk when completely safe methods of decaffeination are available?

"Even if the methylene chloride residue is so minute as to be acceptable from the health point of view, it is not acceptable from the marketing point of view," says Tony Wild, a cof-fee huyer and hlender with Taylor's Tea and Coffee in Har-

rogate. Most decaf is sold as instant coffee. But the companies sell-ing decaf beans and ground

coffee - a £9m-a-year niche market in the UK - are particularly anxious to reassure confeination process has heen used. The magic phrase here is the "Swiss water process", this should refer exclusively to a water decaffeination process patented by Coffex of Switzer-land hut it is used more widely hy coffee retailers, particularly in the US, to give their beans an image of Alpine purity.

There seems to be no agree ment among coffee experts about which decaffeination process gives the best flavours and "hlind tastings" have given contradictory results. "I don't think anyone has mastered the technique of preserv-ing all the aroma and flavour of the beans," says Tony Wild.
"Some of the finer flavour ele-ments and some of the distinctions between different beans are lost in all the existing pro-

Although the manufacturers are constantly refining their techniques for removing caf-feine without affecting flavour, the long-term solution may lie in hiotechnology. Different varieties of coffee have differ-ent amounts of caffeine in their beans – the level is typically 1 per cent in arabica and 2 per cent in robusta coffees. It should eventually be possible by genetic engineering to produce a coffee with almost no caffeine which tastes delicious.

A digital solution to a changing language

EVERY WORD in the Oxford English Dictionary is haing digitised. The move is an inte-gral part of a programme to put the OED on computer.

"Traditionally printed dictio-naries are inevitably imperfect and historical," says Adam Hodgkin, director of electronic publishing at Oxford University Press (OUP). "By the time they are published they are out of date."

He explains that the aim of the new electronic dictionary is to keep up with rapid changes in language. Although estimates vary, approximately 12,000 new words enter the English language every year. Some of them, such as assetstripping, Catch-22, hacker or idiot proof, could hardly have been imagined by the OED'a original Victorian editors.

Hodgkin says that updating the dictionary also allowa mis-takes in the original and later supplements to be corrected. However, the scale of digitising the dictionary was vast. There are 252,000 entries, the largest of which, the verb "set", is 50,000 words long.

A special program had to be written by OUP, IBM in the UK, and the University of Waterloo in Canada, to solve the problem of combining the aupplement information with the original edition. Hodgkin says that 95 per cent of the text was automatically entered by the software. The remaining 5 per cent was entered by a team of lexicographers.

The results of this labour are already available. The original OED plns the supplement information can be purchased on CD-ROM and costs £500.

The npdated edition with corrections will be printed next April and should be available electronically by 1991. It is expected that the electronic dictionary will allow users to manipulate entries in novel ways. For example, dictionaries can be created which list all the words in one subject, such as aeronautics, agri-culture or anatomy. A program could also be used to create regional or national dictio-

Paul Abrahams

THE US authorities have wall of plasmodium vivax, the microscopic organism which is the main cause of insect borne Commercial decaffeination is

approved clinical testing on humans of a synthetic vaccine against malaria.

The genetically engineered vaccine has been developed by Blocine Company, of Emeryville, California, which is a joint venture between Clha-Gelgy, the Swiss chemicals and pharmaceuticals group, and the biotechnology company, Chiron Corporation, also of

malaria in Asia and Latin America, Its disease preventing properties have already been nonstrated in animal tests. The trials on humans will take place at the National Health Institute at the University of Maryland.

The vaccine is produced in year. As yet there is no effective vaccine available.

How caffeine affects the human body

CAFFEINE is a type of chemical, known as an alkaloid, which occurs in several kinds of plant. Biologists do not fully understand why plants such as coffee and tea make caffeine, but one theory is that it has evolved as a natural herhicide to help growing shrubs overcome

competing plants.

The effects of caffeine vary. Women retain caffeine in their body for much longer when they are pregnant, whereas smokers eliminate caffeine twice as quickly as non-smokers.

The most noticeable effect is to stimulate the nervous system people who are sensitive to caffeine will certainly sleep less well if they drink ordinary coffee before going to bed. However, the body can become habituated to cafeline and before the body can become habituated to cafeline the body can be the body can b feine and many regular coffee drinkers can take a cup or two in the evening without their

sleep being disturbed.

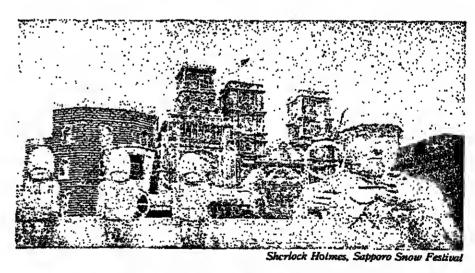
Other physiological effects of caffeine include stimulating the production of urine and of gas-tric juices. And some people who are suscepti-ble to irregular heart rhythms and palpitations find that these are triggered by caffeine.

Caffeine does not accumulate in the body, so its effects are short-lived. But it has been accused at one time or another of contributing to most of the serious health problems of the 20th century, including heart disease, cancer and hirth defects.

Although a few studies have suggested a link between caffeine and disease, the International Coffee Organisation says that the bulk of scientific evidence leads to the conclusion that normal, regular consumption of caffeine does no



Hokkaido Bank Opens in London



The Hokkaido Bank Ltd., based in Sapporo, Hokkaido, today prondly announces the opening of its representative office in London. Our new London office is the newest link in a thorough network which embraces the domestic financial centres of Tokyo and Osaka, and extends overseas to New York, and now, London.

We now put our banking expertise and international experience at the disposal of customers throughout the United Kingdom. The Hokkaido Bank is here to provide new opportunities, meet new financial needs and make new friends.



125 Wood Street, London EC2V 7AQ, United Kingdom Phone: 01-796-3657 Telex: 926949 HKDBUK Fax: 01-796-4841 Chief Representative: Koichi Tamura Head Office: 1, Nishi 4-chome, Odori, Chuo-ku, Sapporo 060 Japan Phone: 011-261-7111 International Division: 4-20, Nihombeshi-Hongokucho 4-chome, Chuo-ku, Tokyo 103 Japan

London Representative Office

Phone: 03-241-3457 Telex: J 25441 DGNFOREX: 02228136 DGNEXT J New York Branch: 527 Medison Avenue, New York, N.Y. 10022, U.S.A. Phone: 212-888-9100

digital ution to. hanging

1 200 175hg

ON I WHERE DIE

INTERNATIONAL APPOINTMENTS



Our client, the Copex Group, is structured to meet the growing de sophisticated, international, financial services. This is achieved through the co-operation of specialists in Munich,



Having chosen to establish in Shannon Copex International Finance & Trading Ltd. will play a key role in the Group's expansion in Europe. For both the SHANNON and MUNICH (German-speaking) offices, we are retained to recruit a number of



International Financial

Reporting to the Managing Director, the ideal candidates

will be currently working in an international

marketing capacity with a bank or financial institution.

He/she will have direct experience of negotiating,

structuring and completing substantial off-shore

funding contracts. This exciting and genuinely challenging position will involve extensive inter-

c. £ 45,000 plus car

national travel to develop new business opportunities.

Candidates will be aged between 25-35 years, university graduates with at least three years' banking experience, combined with the requisite international exposure.

Please send a detailed Curriculum Vitae to Larry Kelly at the following address, or phone him at 353-1-609433.



Ernst & Whinney Management Consultants

Marine House, Clanwilliam Place, Dublin 2, Ireland

Spanish Equity Analyst - Madrid ANeg + package

Madrid based brokerage firm require a Spanish Equity Analyst to work alongside the Equity Salesperson. Previous relevant experience is essential, preferably with a London firm of brokers, also vital is your ability to direct a seem of analysts. The successful applicant will be a graduate, late 20's - early 30's with minimum of 2 - 3 years background to Spanish Equity Analysis. Obviously Spanish and other European languages will be a distinct

Manager - Group Financial Control c£35,000 + banking benefits and car

This major banking organisation is currently recruiting a manager to control aromory and management information reporting, and all aspects of financial reporting to the Bank of England. You will also be advising on the treasury reporting to the Bank. You will be expected to review and prepare all fi-nancial reports, lisise with auditors and tax advisors, monitor and train staff and report on monthly management accounts to Management Committee. The successful applicant will be 30-40, a qualified Chartered

Accountant with previous relevant experience including that of staff management.
For more information on any of the above please contact
JACKIE OSBORNE or JOANNA STEPHENSON

on: 01 - 638 - 9205. 6 Broad Street Place Blomfield Street London EC2M 7JH

Due to rapid expansion, a leading continental Deposit Broker Is seeking

1 Senior Deposit/FRA Broker

with at least two years experience in the Deposit/FRA merket. Applicants should be ambitious and highly motivated. Knowledge of the German language would be advantageous. In return we are offering an extensive and

To broaden our base we are also offering an

1 Junior Deposit/Link Broker

with approximately 1 years experience in the industry or related fields, to be trained in one of the formost Deposit teams in Europe.

Written applications with CV, which will be treated in strict confidence. to Mr. Horst Well

Bierbaum & Co. Depot GmbH, Stephanstr, 3 6000 Frankfurt 1 Tel. (89) 291059

INTERNATIONAL BANKING/CAPITAL MARKETS Based in La Paz, Bolivia

developing policies and lobbying activities for private sector inte Short-term specialists also needed in above and bank training, MIS, public relations. 10 yrs experience and MBA/MS or PhD necessary. Fluent Spanish/English, Respond by December 2 to Ann Hamilton, 2000 M St., NW \$200, Washington, DC 20036. Fax: 202/331-8202.

LEGAL NOTICES

IN THE HIGH COURT OF JUSTICE No. 006525 of 1968 CHANCERY DIVISION IN THE MATTER OF WILLIAMS HOLDINGS PLC

IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that a Patition was on the 18th November 1938 presented to Her Majesty's High Court of Justices for the confirmation of the instruction of the Share Pression Account of the above-sessed Company be 052,483,000.

AND NOTICE IS HEREBY GIVEN that the said tition in directed to be heard before the quarable Mr. Justice Hollman at the Royal urts of Justice, Strand, London WC2A 21,1 Manday the 13th December 1986.

Any preditor or shareholder of the said com-pany desiring to oppose the mating of an Order for the confirmation of the said redu-tion of Share Premium Account should appear at the time of bearing in person or by Counsel for that purpose.

A copy of the said Pelition will be furnished to any such person requiring the same by the under-mentioned Bolicians on payment of the regulated charge for the same. DATED the 25th day of November 1988

Career move to Australia...

International Futures Trader \$\$Negotiable **Sydney**

As the Australian subsidiary of one of the U.K.'s leading Accepting Houses, our client is seeking a trader interested in dealing in international markets from its Sydney Desk. Ideally you will have a proven track record of success in futures, options and physical markets which should include risk taking.

It is expected trading will initially be concentrated in the major overseas financial futures and options markets. Expansion to cover physical markets is possible and experience in U.S. treasuries, U.K. Gilts, and Japanese fixed interest markets would be well regarded although not essential.

The successful applicant will join a small profitable team which reports directly to the Divisional Head Salary will reflect the experience and skills of the individual

In the strictest of confidence please contact Scott Mewing, Banking & Finance Division, Sydney, Australia on 010 612 235-1488 or forward a resume to him (quoting Ref: SM/1012) at Michael Page num (quoring mer: Sav 1912) was Street, Sydney, 2000, Australia, Fax: 010 612 251-1444, or alternatively phone Nick Bennett in our London office on 01 831 2000.

Michael Page International

International Recruitment Consultants London Amsterdam Brussels Paris Lyon Sydney

FINANCIAL ANALYST

Switzerland SFr 100,000 net + benefits

An innovative specialist with several years' experience in the analysis and assessment of investment portfolio performance in a number of fields is sought by a major international financial organisation, based in Switzerland, which is currently developing and installing new dealing systems and related management

Operating essentially in an advisory capacity, you will liaise with senior management and be responsible to the Head of the Accounts Section for devising new methods of obtaining accurate performance data and assisting in formulating new management reports to tight time

Probably aged around 30 with a degree or equivalent professional qualification, you will ideally have worked within a dealing-room environment and have

participated in practical funds management. You will be fully familiar with the information needs of management and the use of computerised systems to meet them.

Strong interpersonal communication skillings important. Please send your detailed cv to Rory Officien,

Ref: 2661/ROB/FT, PA Personnel Services, Hyde Park House, 60a Knightsbridge, London WIX 7LE.

Tel: 01-235 6060.

Tel: 01-235 6060.

PA Personnel Services

Appointments

Advertising

Appears on Wednesday and Thursday

£47 s.c.c **Premium Positions** £57 s.c.c

HERON

HERON PROPERTIES INC

Heron has been actively engaged in property investment and development in the United States since 1980 with a total portfolio in excess of \$500m much of it retained for long term investment.

PRESIDENT AND CHIEF EXECUTIVE OFFICER

The successful candidate will be responsible to the Chairman and Chief Executive for the management of our real estate operations in the United States.

He/she must be able to demonstrate extensive experience and profit success at senior level in the US commercial property market, whether with a developer or in practice. There will be a strong emphasis on entrepreneurial flair.

The starting remuneration will reflect the seniority of the position and there will be equity participation. The position is based in New York.

Applications with a full Curriculum Vitae should be addressed to:

The Chairman & Chief Executive. Heron International PLC

19 Marylebone Road, London NW1 5IL.

UNITED NATIONS ENVIRONMENT PROGRAMME

Invites applications from highly qualified and experienced communications professionals for a broad range of vacancies in Information and Public Affairs. Fluency in English is essential. Please send resume before 31 December 1988.

UNEP, Recruitment Unit, P O Box 30552, Nairobi, Kenya.



THE HOTEL CORPORATION OF THE BAHAMAS

The Hotel Corporatin of The Bahamas has immediate openings for qualified professionals, who are desirous of pursuing challenging and rewarding careers in the following areas:

> DIRECTOR OF PLANNING AND DEVELOPMENT DIRECTOR OF MARKETING AND RESORT OPERATIONS INTERNAL AUDITOR

DIRECTOR OF PLANNING AND DEVELOPMENT

The successful candidate would be responsible to the Chief Executive Officer for project planning, research, supervision of architectural, engineering, construction and bulldings staff, analysis of bids, proposals and Ilalson with relevant Government Agencies. Only highly qualified and experienced persons with relevant professional degrees and proven track record will be considered.

DIRECTOR OF MARKETING & RESORT OPERATIONS

He or she would be responsible to the Chief Executive Officer for monitoring the management, marketing and operation of facilities. sollciting project developers and negotiation of contracts. Only well qualified persons with a thorough knowledge and exceptional track record of all aspects of resort marketing, management and operations should apply. Applications must also possess relevant

INTERNAL AUDITOR

The successful candidate would have lateral relationship to the Financial Controller and dual reporting relationship to the Chief Executive Officer and the Budget and Audit Review Committee. The Canidates must have membership of recognised professional accounting bodies and a proven record of analytical ability and auditing in a large organisation or with a 'big eight' public accounting firm. Experience of working in the hospitality industry would be an asset.

The successful applicants would be paid salaries commensurate with their qualifications and experience, other benefits are offered.

APPLICANTS TO THE FOLLOWING POSITIONS SHOULD SEND FULL RESUMES, EVIDENCE OF QUALIFICATION, TWO WRITTEN TESTIMONIALS, INCLUDING ONE FROM PREVIOUS EMPLOYER TO:

> THE CORPORATE SECRETARY THE HOTEL CORPORATION OF THE BAHAMAS P.O. BOX N. 9520 NASSAU THE BAHAMAS

perfect connections don't have to be complicated. The binary code was a crucial invention for data processing. By combining just two digits in many different ways, the most varied of information can be displayed. And of course, the more communications depend on this language, the more vital are the systems used.

The result of our developments in communications have brought us recognition world-wide. Olympia developed innovative office technology. AEG has become a market leader in information and communications technology with its work in designing OCR systems and trunking radio networks, for example. Now we have combined the strengths of these divisions in a powerful new force – AEG Olympia.

With the formation of AEG Olympia, we're responding to the challenge of overlapping technologies and markets. Customers expect problem-free solutions and system component compatibility from one source.

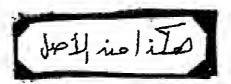
We'll be meeting these requirements with a comprehensive range of products and systems. Key items on which we're concentrating include word processing and communications, microprocessors and multi-function workstations. In this programme, special priority will be given to

offering closed-loop systems and application-specific workstation schemes.

Our objective is to increase our selection of products and systems still further. To ensure that you have the best possible solutions for your communications needs.

Olympia Business Machines Co. Ltd. 199/205 Old Marylebone Road · London NW1 5QS · Tel. (01) 262 6788

AEG OLYMPIA



Richard II PHOENIX THEATRE

This commercial collaboration is invaded by walls that slide between Triumph Theatre Productions and the Kennedy Center, Washington, has been golden bough in the Queen's devised as a showcase for the garden. But this will always be the production where devised are production as invaded by walls that slide into place like blades of a guillouis and the content of the production where the production is invaded by walls that slide into place like blades of a guillouis and the Kennedy Center will be producted by walls that slide into place like blades of a guillouis and the Kennedy Center where the production will be producted by walls that slide into place like blades of a guillouis and the Kennedy Center where the production will be producted by walls that slide into place like blades of a guillouis and the Kennedy Center where the production will be producted by walls that slide into place like blades of a guillouis and the Kennedy Center will be producted by walls that slide into place like blades of a guillouis and the content will be producted by walls that slide into place like blades of a guillouis and the content will be producted by walls that slide into place like blades of a guillouis and the content will be producted by walls that slide into place in the content will be producted by walls that slide into place in the content will be producted by walls that slide into place in the content will be producted by walls that slide into place in the content will be producted by walls and the place will be producted by walls that slide into place in the content will be producted by walls that slide into place in the place will be producted by walls that slide into place in the place will be producted by walls that slide into place in the place will be producted by walls that slide into place in the place will be producted by walls that slide into place will be producte devised as a showcase for the two Richards of Derek Jacobi (Crookback follows at the Phoenix in January).
it bears all the hallmarks of

very old hat Old Vic, with Bagot in a bulging cod-piece, sundry lords in black tights and medieval bootles, trumpets off and a split-level black charred set that resembles a seaside jetty at wintry low tide.

But around Jacobi, director Clifford Williams has gathered a notable support cast that is stronger than you find in most RSC Shakespeare. They just all look so awful, like pages in back in motors of Theatre

There are no new horizons, but plenty of old Prospects, notably Robert Eddison as a definitive John of Gaunt, shaking with sorrow at his dear dear land leas'd out like to a tenement or pelting farm, and Barbara Jefford as the Duchess of York, whipping through the Anmerie conspiracy scene with toughness and high devious

a production where dresses are caught on bottom stairs, where a gardener is played like a vil-lage idiot, and where "Belike it is the Bishop of Carlisle" fails to raise the appropriate laugh. There is slight compensation

From the opening scenes of emphatic regality in the Cov-entry lists to his final acquisi-tion of philosophic wisdom at Pomfret, Jacobi takes on Richard as of right. He finds more in the role than anyone in recent memory, quite tran-scending the pained scidulous-ness of Michael Pennington and the intemperate hauteur of Jeremy Irons. He charts the fourney of a man exchanging trappings for knowledge, the visibility of a monarch for the anonymity of a slave.

The great trick Jacobi plays is to preserve the two states in a double focus. On jearning that the Welsh have fled because he is reported dead, his crackling rage subsides immediately to a strongly Even the drah presentation imagined idea of corporeal improves once Carl Tome's set transience. He remains a king

but in curious absentia. These great third act speeches of transition are at the centre of his decline.

The play is on a pendulum swing as David Rintoul's pow-erful Buckingham takes command. But there is no contrast between a medieval kingdom and a new rule, Williams merely echoing the famous lan Richardson/Richard Pasco symbiotic symmetry as the crown switches hands. Nor does lacely have synthing but does Jacobi have anything but his voice on which to swoop down like the glistering Pha-

Instead, I shall remember his plea to be a mockery king of snow that summarises the self-immolating tendencies of a tear-sodden egotist. Having rit-ually declared his successor in a clarion call of contempt, he will melt with peevish sorrow on hearing of Bolingbroke's ride aboard his favourite roan

A lot of silly hats and wimples obscure otherwise good work from Kathryn Pogson as the abandoned Isabel, Pete Pos-tlethwaite as Mowbray and Exton, and Robert Swann with the Bishop of Carlisle's won-derful political apologia.

Michael Coveney

TELEVISION

Farewell to fashionable fol-de-rol

of that blind alley called "Modernism" are on the run. Blank verse, tuneless music, abstract verse, timeless music, abstract painting and a lot of other pre-tentious fol-de-rol are finally going out of fashion and much of the credit must go to (of all people!) Prince Charles. His sane and determined criticism of new brutalism in architec-ture - sustained against all mpts to label him a philistine, ignoramus, upper class twit and old fashioned dreamer — has led to an unprecedented triumph by the public, as con-sumers, over that hitherto charmed, and closed, circle of opinion-formers and subsidy sharers which has had such a pernicious effect upon the arts

for so long.

Last week's Building Sights on BBC2 made clear how far we have come. Stephen Bayley. an anthustast for the 1950s school of shoebox architecture, tried to construct an argument in favour of leaving Alexander Fleming House at Elephant And Castle as it is. The more angles from which he showed the ghastly place, the more obvious it became that it should never have been built. Finally he told us in tones of horror that it was now proposed to drape the whole thing in anachronistic mirror glass. The drawings showing how the change would look proved that this would have the improvement of the provider of the provi this would be such an improvement that one simply had to laugh at the poor man - and that indicates how far we have come: he was so obviously on a losing wicket that one had to feel sorry for him.

The tenth-anniversary edition of Arena proved that this series has not been uncontaminated by the silliness of Modernism. At its best it has produced gently mocking programmes, often devoted to style rather than Art with a capital A, interviews, film clips and dra-which have told much about matised documentary with

apisode about the song "My Way," the sticky interview with Jean Genet, and Alexei Sayle's pursuit of the Ford Cortina are good examples. But when it came to Joseph Beuys - the man who shared Carl André's condescending

belief that the rest of us are incapable of appreciating the surface texture of underfelt in a carpet warehouse or the neat geometry of a pile of bricks on a building site, but must have them brought into galleries and pushed under our noses by more sensitive beings called "artists" - Arena lost all sense of its own analytical powers, abandoned its mockery, and accepted the man at his own valuation.

One of the great strengths of the South Bank Show is that it has never been in thrall to Modernism. There is no out-right editorial line, of course, but the choice of subjects has always amounted to a fairly strong comment, and the top-ics in the current series will have come as no surprise to anybody who has followed the programme since 1978. There is more than enough about the film industry on television, yet Melvyn Bragg's long interview with David Puttnam on the

subject was one of the most interesting for a long time.

The utterly straightforward technique with the Hockney exhibition — having the artist walk round and simply talk about his paintings — was also highly effective; and the programme two weeks are about gramme two weeks ago, about Bristol Old Vic's production of "A Town in The West Coun-try" was the sort of thing the South Bank Show has always done brilliantly well, mixing rehearsal footage with interviews and archive material. This week's programme on Raymond Chandler, using

Last night's programma A Nuclear Living made by Charles Stewart and Malcolm

Hirst for Central's excellent TTV documentary series "View-point 88," was both more and less frightening than you might expect of a programme showing life inside a nuclear power station. The sheer ordi-nariness of the people involved (apart from the mystifying fre-quency of beards) and of much

One of the great strengths of the South Bank Show is that it has never been in thrall to Modernism

banal, but there were moments when the dangers seemed all too real, as when a highly radioactive broken bolt had to be retrieved from a deep tank by remote control, and when one worker had to go for a body scan to see whether he had suffered from drinking contaminated tea. The CEGB' motives in allowing Stewart and Hirst to spend four months in Oldbury are imponderable, but as a PR gesture it must surely be a winner: the unknown is invariably more frightening than the familiar.

of the work made it almost

Everything about Rapido, imported from France by BBC1, was fast, from the machine gun presentation of Antoine de Caunes to the fact that the first series has finished almost before we have had a chance to register its arrival. Rapido is an Anglicised version of a French rock

series with that broader interest in general matters of style which is now da rigueur in so-called "youth" programmes. Its great attraction, apart from the fountain of Franglais spouted by its presenter, is that where British rock and style shows tend towards the processed this one is funny and po-faced, this one is funny and sexy. It will be interesting to see whether the producers can sustain further series at tha same pace and with the same level of interest.

Alan Plater's Beiderbecke Alan Plater's Bettervetters series brings to mind Tommy Cooper, the magician whose genius lay in the fact that although he never actually did any tricks, he was still one of the greatest entertainers around Plater seems almost to have prefected a Cooper-like scheme in which there is, ultimately, little substance, yet the sheer virtuosity of the sur-rounding techniques keeps you enthralled. There was not much plot in The Beiderbecke Affair and less still in The Beiderbecke derbecke Tapes, moreover what there was did not matter very

Now with the third series, The Beiderbecke Connection, the plot may prove to be entirely irrelevant, or even non-existent. But who cares? The lines are wonderful: asked what was stolen from the bookshop the serene old lady says "Sexual Behaviour A to K and Tess Of The d'Urbervilles." The characterisations of Trevor, the woodwork teaching wimp, and Jill, the English-teaching Green feminist, are wickedly accurate caricatures of 1988 realities, and the scenes set in the comprehensiva where they "teach" are funder than anything in any current ITV sitcom.

It is not often that a new pro-gramme idea turns up, but The Secret Life Of The Something

Machine (last week washing.
4 looks like a genuine original.
The driving lorce is Tim Hunkin who has the passionate
devotion of the true eccentric
which often works so well on
mula lies half way between the
Tomorrom; World and the simple (also friendly) didacticism
of Bise Peter. If you want to
explain how water pressure
itself can be used to operate a
valve controlling water flow,
television is a very good
medium hr doing it assuming
you are Tim Hunkin you simply how down the hose.

Two little scenarios, designed to make the Tories think again about their White Paper plans for IIV are currently going the rounds. In the first the big boys who want to get hold of the IIV franchises do not bother to enter the auction and tisk bidding more than they need to: they just bide their them; wait until someone else gets the franchise, then mount a takeover via the stock market as another part of the Tory plan allows. So much for the allows. So much for the in hurdles which prospective ers will supposedly have to

ning. In the second scenario, the eristing ITV companies wait until a little before the next General Election and theo General Election and theo made it known that they will be withdrawing Coronotion Street. The Bill, Emmerdale Farm and a few other top rating thems from the schedules to save money for the war choice necessary to bid for their licences. This disappearance will be blamed on Mrs That her . . unless plans are modified, of course is the Thather . . . unless plans are modified, of course, in the inferior t could make "Maggie Thather, milk snatcher" seem er, milk snatcher" seem the mild epithet.

Christopher Dunkley

Stockhausen

Huddersfield Festival celebration of Stockhausen's 60th birthday, the composer and his performer associates came to London for two South Bank concerts. The second, on Monday, was a gentle and entirely shoot, like most of Stockhauders. day, was a gentle and entirely captivating concert of Stockhausen'a inimitable recent brand of chamber music - solos (In Freundschaft and XI), a duo (Ave), and a trio (the Zodiac-piece *Tierkreis*). The players were Michael Svoboda (trombone), Suzanne Stephens (basset horn and clarinet), Kathinka Pasveer (flutes), and Markus Stockhausen (trumpet and plano), captured in spot-light against a row of screens. Stockhausen himself, after offering a genial spoken intro-duction, was as usual a controlling presence at the sound-projection board in the stalls. All four pieces depend on the highest degree of instrumental

and apple

and select

harmer to

S.Die soilt

Co. Lid

Landar

£12,000,000

peds

TES

to what the deemed a new kind of concert sen's recent music, of the mammoth seven-day cycle of operas Licht - could hardly avoid sounding like artefacts of the most embarrassingly pseu-dish, self-indulgent whinsy

Yet the actual experience of Miss Stephens in a glamorous feathered gown and Miss Pasveer in a soldier-boy suit, the one luring the other from behind the screens to take part in ductile duet, was in every sense an enchantment from beginning to end. It has been pointed out before, but should be again, that the dramatic "scenarios" underpinning both the big Stockhausen theatre virtuesity, on mutual respon-siveness between partners far beyond that of conventional chamber-music interplay, and on movement devised by the works and these little concert-

This advertisement is instead in compliance with the requirements of the Council of The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited. It does not constitute an invitation to the public to

F&HGROUPPLC

Re-Introduction to the Unlisted Securities Market following the Acquisition of Steadyfirm Limited and

Fa H Automatisierungs - Systeme GmbH and

Amendments to the Share Option Scheme.

Share Capital

Pollowing completion of the above proposals

Ordinary 10p Shares

Application has been made to the Council of The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited for the grant of persmission to deal in the Ordinary Shares of the Company in the Unlisted Securities Market. On the grant of this permission, the designation of the Company's shares on the Unlisted Securities Market, which was suspended on 3rd October, 1988, will be cancelled and the Company will re-introduce the share capital to the Unlisted Securities Market. Dealings in the Ordinary Shares on the Unlisted Securities Market are expected to commence on 6th December, 1988.

December, 1988.

Copies of the particulars of F & H Group plc have been circulated in the Extel Unlisted Securities Market Service and are available until 5th December, 1988, from:

Smith New Court Corporate Finance Limited Chetwynd House 23 St. Swithin's Lane 30th November, 1988 London ECON SAE

As an epilogue to the players to "tune" their phrases essentially German kind. The contrasts between the hi technical sophistication of the players, the stylized move-ments, the serene lyrical euphony of the music, and the picaresque Marchenspiel mood of the "story" made for a very special kind of concert-hall in similar vein in Freund-schaft (given here in a trom-

bone-solo version of a piece originally written for Miss Stephens's clarinet) and the microtonal XI for flute (a medi-ation on the Licht "super-formula") held the listener-spectator quite as fully through the presence of the player as through the presentation of the music. As finale, a trio version of the octet Werkreis, a chain of 12 melodies corresponding to the 12 star-signs gave proof, if any were still needed, of the abundant, basically quite sim-ple musicality that funds many of this composer's most out-landish-sounding conceptions.

Max Loppert

Moscow Radio Symphony Orchestra BARBICAN HÂLL

The "Great Orchestras of the

World" series at the Barbican has cast its net wide. While only the leading couple of Soviet orchestras are really well-known here, it is unlikely that many people would see the Moscow Radio Symphony Orchestra as an obvious first choice for inclusion, and at Monday night's concert a bril-liant young soloist was thrown in as bait to tempt a London

was wisely planned. The Moscow orchestra has played successfully at the Barbican hefore but on this occasion the acoustic seemed to have played its notorious tricks on the visitors. Woodwind timbre was dulled and heavy brass and timpani at the back of the platform assumed a cavernous ressound as a whole with its brilliance dimmed, its wattage at less than full strength.

onance that left the orchestral

in the foreground, though, there blazed a solo light of complimentary 'rilliance, The Soviet pianist Nikolay Demidenko has played the Third Concerto by Prokoflev here before to considerable acclaim. And no wonder, for here is a technician of remarkable assurance, who has made that ssurance, who has made that ital connection; ears that can hear the exact sounds they want the music to make and two sets of astonishingly steely

fingers to reproduce them.

The result is at once arresting and, as often with musicians who focus on one aspect of a score, in some way incompleter too little moderation, too little freedom in letting the

Demidenko grasp this fero-cious concerto in that iron grip of his and shake it into submission, every semiquaver rattling out with the fiercest articulation, is to witness a Russian virtuoso of the most authentic

It was the sort of performance the LSO or one of the top American orchestras might like to take on in their most aggressive moods. Instead, with Vladimir Fedoseyev and other qualities to the fore. After the interval their Pictures from an Exhibition gave us Musorgsky in dour colours, atmospheric and convincingly idiomatic. Once Demidenko had left the platform, the volt-age was definitely down.

Richard Fairman

The ABSA-Daily Telegraph award winners

It was prize giving day yesterday for those companies which have imaginatively sponsored the arts in the past year. The ABSA-Daily Telegraph Award winners were: Best Corporate Programme, English Estates and Royal Bank of Scotland; Best Single Project, Balfour Beatty Devel-coments & Edinburgh Trust, Lloyds Bank, and Royal Insur-ance; Best First Time Sponsor, Gordon Richards Tools (Coventry), Jamdani Restaurants, and Volkswagen; Best Youth Spon-

sorship, Becks Bier (Scottish & Newcastle); Best Sponsorship of Arts for the Disabled, Napp Laboratories; Best Commission of New Art in any Medium, British Airports Anthority; Best Sponsorship of British Arts Overseas, Barclays Bank. The venue award went to the Place Theatre in London for its unique portfolio fund to finance new choreography and the Goodman award, named after ABSA's retiring chairman Lord Goodman, went to Lord Rayne, retiring chairman of

the National Theatre, which successfully hosted the awards ceremony.

As ever money talks, as in the prizes for Royal, which has given over £1m to the RSC over three years and the substantial Lloyds sponsorship of the Age of Chivalry show at the RA, but the award for a Banglade-shi restaurant in East London for supporting a Whitechapel Gallery textile exhibition is an indication of what can be

Antony Thorncroft



Tom Wilkinson as Doctor Stockmann in the Young

Tom Wilkinson as Doctor Stockmann in the Young Vic's magnificent revival of Risen's "An Enemy of the People" which transfers thingst to the Playhouse Theatre near Charing Criss.

The tragic dilemma of a public appointee, who threatens a town's prosperity by broadcasting his discovery of pollution in the municipal baths, strikes more than a few contemporary chords. Arthur Miller's fine and loyal adaptation renders Ibsen the most vitally topical playwight in town, and David Thacker's superbly acted production crackles with humour, tension and robust argument.

ARTS GUIDE

THEATRE London A Walk in the Woods (Comedy). Alec Guinness and Rdward Herrmann in feeble off-duty arms negotiation encounter by Lee

negotiation encounter by Lee
Blessing. Guinness, back on the
London stage after 10 years, is
in subtle virtuos form as the
Soviet veteran of tactical stonewalling and no dealing tricks
(980 2578, ce 839 1938).
The Visit (Almeida). Guistanding
revival of Dürrenmait's macchre
parable of greed and revenge
in a provincial town by the
inventive Théâtre de Complicité.
Ends December 3 (359 4404).
Measure For Méasure (Barbican).
Pick of the RSC London repertôre, à gripping revival by
Micholas Hytner, strongly acted,
with witty design references to
Lloyds of London and the Pompidon Centre in Paris (638 6891). Oysteroak Computing Limited, Increase in Authorised Share Capital, Change of Name, Reduction of Capital, Disposal of TR Minua & Sons Limited, Amvelco Limited, Issued and fully paid

with with yeason rearestees to Lloyds of London and the Pompidon Centre in Paris (638 8891). The Secret Rapture (Lyttelton). Brilliant new Bavid Hare risces for the National Theatre, a satirical but inoving romance on life, love and family politics in Thatcher's Britain. The play of the year (828 2252, cc 240 7200). Rasy Virtue (Garrick). Transfer of King's Head revival of early Noel Coward, same period but lesser vintage than Hay Fever, but worth seeing (379 6107). Follies (Shaftesbury), Eartha Kitt and Millicent Martin now decorate Mike Ockrent's strong revival of Sondheim's 1971 musical, in which poisoned marriages nearly underinthe an old burlesque reunion in a doomed theatre (379 5399).

The Advantable Crichton (Haymarket). Rex Harrison and

market. Rex Harrison and Edward Fox in enjoyable revival of Barrie's imperishable comedy

on a desert island (980 9832, CC 379 4444).
Day Rot (Lyric). Brian Rix returns to the stage after an absence of 12 years in a 1960s farce that prefigures the capture of old England by the spive and opportunists. A genuine classic 487 2880

opportunists. A genuine classic (437 3686). Bartholonew Fair (Olivier). Successful Victorian transposition of Ben Jonson's Sweaty masterpiece with fetris wheel fair ground setting and much sanily ectentric acting in Richard Ryre's National Theatre company, (928 2252). Dec 3-10.

The Shaughraun (Olivier). Recommended Christmas treat, as Bouchault's melodrama is given the full scenic works but is also revealed as a key Irish dramatic inflestone. Fine National Theatre cast led by Stephen Rea. (923 252). Dec 17-23, Jan 5-10, 19-21. The Sneeze (Aktwych). Eight short Chekhov pieces – four vandevilles, four early stories – translated and adapted by Michael Frayn and performed in various styles by Rowan Athieson. Threatry under the Michael frayn and performed in various styles by Rowan Atkinson, Timothy West and Cheryl Campbell. Slightly rewarding, intermittently funny (836 6404, cc 379 6233). Sagar Bables (Savoy). Mickey Rooney and Ann Miller repest Broadway roles and exhibit stamina and star qualify in a mixed bar of coarse buriesque sketches

The Footsbarn Theatre with Bal-ylon (Thur). Stadsschouwburg

New York Rumours (Broadlanst). Neil Simon's latest comedy is a self-

November 25-December 1

conscious farce with hollow humour that misses as often as it hits. Christine Baranski leads an ebuillent cast in the inevitable but disappointing hit.
Cats (Winter Garden). Still a
sell-out, Trevor Nunn's produc
tion of T.S. Eliet's children's

tion of T.S. Eliot's children's poetry set to music is visually startling and choreographically feline (239 6262).

A Chorus Line (Shubert). The longest-running musical in the US has not only supported Joseph Papp's Public Theater for eight years but also undated the musical genre with its backstage story in which the songs are used as auditions rather than emotions (239 6200).

Les Misérables (Broadway). The magnificent spectacle of Victor Bugo's majestic sweep of history and pathos brings to Broadway lessons in pageantry and drama

ons in pageantry and drams (239 6200). Sharlight Express (Gershwin). Startight Express (decanway. Those who saw the original at the Victoria in London will barely recognise its US incarnation: the skaters do not have to go round the whole theatre but do get good exercise on the empression stare with pay

spruced-up stage with new bridges and American scenery to distract from the hackneyed pop music and trumped-up, silly

pop music and transpecture, any plot (586 6510). Me and My Girl (Marquis). Even if the plot turns on ironic mim-icry of Pygmalton, this is no clas-sic, with forgettable songs and dated leadenness in a stage full of characters. It has novertheless dated leadenness in a stage full of characters. It has nevertheless proved to be a durable Broadway bit (947 0033).

M. Butterfly (Eugene O'Neill). The surprise Tony winner for 1988 is a somewhat pretentions and obvious meditation on the true story of the French diplomat whose long-time mistress was a male Chinese spy (246 0220). Speed-the-Plow (Royale). David Manget applies his biting sarcasm and ear for the exaggerations of American language to Holly-wood, in this screamingly furny and well-plotted expose of the film industry (289 6200). Phantom of the Opera (Majestic). Stuffed with Maria Bjornson's gilded sets, Phantom rocks with Andrew Lloyd Webber's haunt-ing melodies in this mega-trans-fer from London (239 6200).

A Christmas Carol (Goodman), william J. Norris celebrates his tenth season as Ebenezer Scrooge in the annual holiday production with a cast of 26, directed by Michael Maggio. Ends Dec 28 (829 4141)

Noh. National Noh Theatre. Taka Hime (Hawk Princess). A modern noh play based on At the Hawk's Well by W.B. Yeats who was in turn influenced by the Noh thea-tre. (Most other Noh theatres are open at weekends only. Check local press for details.)(423

Check local press for details. (423
1381) (Wed).
Kabuld. The Ham programme contains three pieces, the most accessible for non-Japanese audiences being Suo Otoshi (Oroping the Robe), which contains a famous narrative dance sequence. In the 4.20pm protrange world-famous "onnagranme world-famous "onna-granme world-famous "onna-gata" Tamasaburo Bando per-forms seven different female roles in a scene from Osome His-amatsu. Tickets available for a single act (Enquire at theatre). Begins December 1. Kabuki-za (541 3181).

SALEROOM

A snip at £20m Christie'a was modestfy paintings remains buoyant,

pleased with its major winter auction of Impressionist and modern pictures in London on Monday night. The key painting. Picasso's "Acrobate at Communication of the control modern pictures in London on Monday night. The key painting, Picasso's "Acrobate et jeune Arlequin," performed efficiently, selling for \$20.9m, comfortably above a revised estimate of £13m but rather lower than some over-excited forecasts. There must have been some auxious moments. forecasts. There must have been some anxious moments for auctioneer Charles Allsopp since the dozen or so likely hidders for the Picasso were sitting on their hands and it was left to a mysterious Japanese, advised by a European colleague, to make the final hid.

league, to make the final bid.

The sale totalled £55.4m, a record for an Impressionist auction in London. It was 10 per cent unsold, with a noticeable lack of interest in minor works. But all important pictures did well, with a record £3.85m for a Gauguin landscape near Arles, and another record of £3.74m for Gacometri's bronze, "L'Homme qui Marche 1." New lighs were also set for Klee and Signac Marche 1." New lighs were also set for Klee and Signac Things returned to normal at Christie's pesterday when second division impressionist and modern pictures brought in £60, with 22 per cent unsold.

Anticol Thorncroft Anticol Estation for Contract of £3.74m for £3.75m The sale totalled 255.4m, a record for an Impressionist auction in London. It was 10 per cent unsold, with a noticeable lack of interest in minor works. But all important pictures did well, with a record 23.85m for a Gauguin land-scape near Arles, and another record of 23.74m for Gacometi's bronze, "L'Homme qui Marche 1." New highs were also set for Klee and Signac while Monet's "Pont du Chemin de Fer" comfortably beat its estimate at 26.8m.

Things returned to normal at Christie's yesterday when second division impressionist and modern pictures brought in 156m, with 22 per cent unsold. Salvador Dali's health may be failing but demand for his

Geneva dealer. The London trade secured a Rouault Milanshroul type image, "La Sainte Face," for £176,000 while another Geneva dealer paid 2154.000 twice over, for another Roughly head of Christ and for a mail Maisse landscape. A mail Maisse landscape.

A major disappointment was the failure of eight of the twive Henry Moore watercolours and drawings sold by the course and drawings sold by the Trustees of Lord Walston's Family Trest to find buyers. One that did sell, "Studies for Ture Standar Figures," exe-

Autor Thorncroft Observer comm. p.24

NNON STREET, LONDON EC4 P4BY imo, London PS4. Telex: 8954871 bhone: 01-248 8000

lay November 30 1988

End of the honevmoon

honeymoon itself.

Mrs Margaret The staired ending. The charts about quite suding for the second of the second of

As he himself a sined in the House of Come by yesterday, his reaction he stock market crash of ber 1987 was to regard the for policies that would a recession as of greate mediate moment than an inflation. Mr Law was by no means alone in misperception, but, as Of bellor, he naturally has to a lider the blame for the consences.

The policies heas now adopted are right the circumstances, it would quite rightly be the blame for the consences.

to itself, the prescription of high interest rates should eventually cool the economy

and exert downward pressure on inflation.

Given time, current economic problems are soluble, as the Chancellor indicated yesterday. The immediate difficulty lies on the political side of the equation. Mr Lawson's dogged performance in the Commons yesterday was not Commons yesterday was not particularly skilful by political standards. There were times when he seemed to have lost the attention of many on his own back-benches. He gave a hostage to fortune when he sought to disentangle the rate of mortgage interest from the retail price index. This may

make statistical sense, but the timing is poor. In present cir-cumstances it could easily be portrayed as political special pleading.

Enhanced reputation Mr Lawson's Labour oppo-nent, Mr Gordon Brown, made the most of a less difficult task. He attacked the Government with rumhustious verve and,

on occasion, earned the silence of the whole House. The Chan-cellor's reputation was the same when he sat down as it had been when he stood up, but Dr Brown's was undoubt-

None of this will matter if the right figures start to appear in time. In a perfect world the economic and politi-cal cycles would move in harmony. in the real world the likelihood is that they will not. The political pressures will build up as a result of the present uncertainty. There could be a particularly bad effect on

wage bargaining, which the Government itself will have to resist in the public sector.

The danger is that a vicious circle of a kind that is all too familiar in British economic bitters are a second to be a second t history may emerge. For when so much depends npon the maintenance of a high level of confidence, the erosion of confidence can be immeasurably damaging. Mr Lawson's own reputation has been dented by the events of the past few weeks. What the Government now needs above all is a steady nerve and a smattering of good

Reaganomics warned over

THE MOST striking beture of the noises coming in Washington, notably from it Nicholas Brady, the Theory Secretary, is their his at echo. What we have is true, this time as farce, of the pening of the Reagan era in \$1. Then, too, the federal liget was projected to baland at some notional tims in distant future. Then, too include with tight control overlight expenditure, was supposed to bring about the desired all. It did not work out these and it is very unlikely to do now.

Mr Beryl Sprinter and it is very unlikely to do now.

Mr Beryl Sprinter and it is very unlikely to do now.

Mr Beryl Sprinter and it is very unlikely to do now.

Mr Beryl Sprinter and it is very unlikely to do now.

Mr Beryl Sprinter and it is very unlikely to do now.

Mr Beryl Sprinter and it is one of the US economy at the midigard the sustainable potential growth rate of the US economy at only 2½ per cent a year furthermore, there is little boult that the US economy is now close to the US economy is now close to full capacity. Mr sprinkel's forecast could turn out to be right, but it is not one on which to bet the housekeeping money.

More recently, for Brady has

More recently, Mr Brady has More recently, it may has just reiterated in Bush's resolute opposition to ill forms of tax increase (including higher indirect taxes). If Bush's determination to stand firm on taxes represents a manuple for taxes represents a manuple for taxes. what he himself one labelled voodoo economics. Yet the justifications for the initial Reagan programme were immeasurably stronger than those for a refusal to consider tax increases today.

Ambitious programme

When Mr Reagan became President he had an ambitious programme of economic reform to put into effect. Thanks to to put into effect. Thanks to the monetary squeeze of Mr Paul Volcker, then chairman of the Federal Reserve, he was also presiding over an economy going into deep recession. In that context, a large budget deficit was perfectly defensible. Things are quite different today. Mr Bush has no programme that can be discerned. Moreover, the economy has gramme that can be discerned.

Moreover, the economy has
experienced six years of expansion and unemployment is low,
while the underlying rate of
inflation (as measured by the
gross national product defla-

tor) has been rising ominously towards around 5 per cent a

What is most depressing about the risks being run is that they are so unnecessary As the international Monetary Fund points out in the World Economic Outlook of October 1988, there has been a marked improvement in the economic performance of industrial countries in the 1980s as against the 1970s. The current global expansion is not merely the longest since the Second World War, but is far less inflaoccurred in the 1970s. Given the good fortune, from the industrial country point of view, of weak commodity prices, there is no obvious reason why this expansion should not go on and on.

Renewed inflation

In practice, this is most unlikely, largely because of the concern about renewed inflation that has led to tightening of monetary policy worldwide since the spring. For the US the latest stage of the process was seen on Monday when the prime rate, 9.5 per cent earlier in 1988, was raised to 10.5 per cent. Mr Alan Greenspan, the Fed chairman, prides himself on his abilities as a navigator in uncharted waters. He will need all his skill if he is to avoid both the Scylla of higher inflation and the Charybdis of recession.

With the right fiscal policy, however, such dexterity would not be needed, as Mr Greenspan himself made clear only recently. Now is the time for the rest of the Group of Seven to show a little boldness. Given the rapid growth of Japan and Western Europe this year, these countries can afford to be quite relaxed about weakness of the dollar. Certainly, dollar depreciation is more dangerous for the US itself than for the rest of the world. So the G-7 should make it quite clear that there will be no major dollar support operations without a fully credible programme of fis-cal adjustment in the US. A repeat of Reaganomics Mark 1 is precisely what the world does not need. So it is up to the leaders of the other major

countries to help save Mr Bush

from himself.

our weeks after another inconclusive general election

its second since 1981 -Israel has little to be satisfied about, either with itself or the state of the outside world. It is hard to say whether the internal or the external picture is the gloomier, but there are

deep anxieties about the future.

Public discontent over the outcome of the elections, as well as over the operation of the political system — an extreme form of proportional representation — is widespread. Mean-while, the Palestinian uprising in the occupied territories is approaching its first anniversary next week with no hint of an end in sight. This is in spite of 330 Palestinian dead, thousands of injured and more than 5,000 people detained, most of them without trial. Against this background, the

Against this background, the domestic economy, faltering after two years of relative prosperity, is in urgent need of overhaul. Whichever parties come together to form a new coalition government, they will find that the goal of resuming economic growth may bave to give way to tackling graver structural problems threatening substantial parts of industry and agriculture.

threatening substantial parts of industry and agriculture.

The current crisis at Koor Industries, the largest industrial conglomerate in the Middle East, seems small in comparison with the less publicised financial difficulties of Israel's principal rural grouping, the United Kibbutz Movement, which owes local banks an estimated Shu (\$1.6 hm). banks an estimated \$3bn (£1.6bn).

Abroad, the election in the US of Vice-President George Bush to the White House presages unwelcome pressure in the months to come over the Middle East peace process. For Israel this would involve making choices which the Israeli public appears, on the evidence of the elec-

tion results, unready to face. Earlier this month, in Algiers, the Palestinians stole a diplomatic march on the Jewish state by implicitly recognising Israel and simultaneously proclaiming an independent state of their own. Lacking the first requirement of a state – defined borders – the Palestine Liberation Organisation has, nevertheless, already won the recognition of over 50 countries for its

entity.

Egypt's formal recognition was a particularity bad blow for the diplomatic counter-offensive mounted by the Israeli Foreign Ministry, further eclipsing the Camp David accords the two countries signed in 1978.

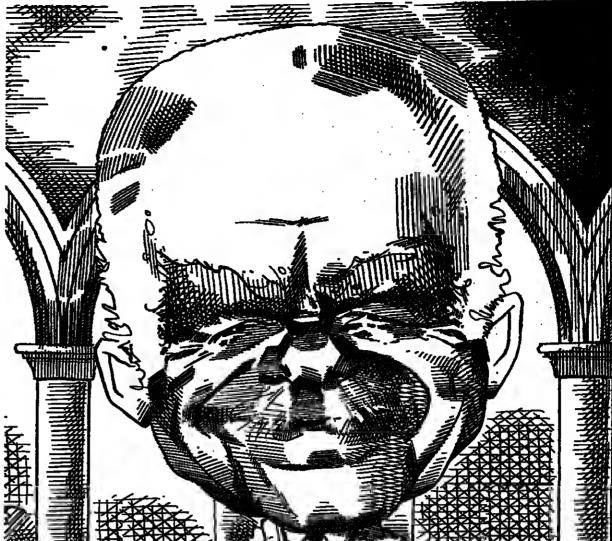
Thus Israel's foreign policy options have been dramatically narrowed. What some thoughtful Israelis are pointing out, however, is that in the

pointing out, however, is that in the lengthy process of reaching its deci-sions – however qualified they might be – the PLO was able to convey a convincing appearance of internal democracy in action. The contrast with Israel's present muddled condi-tion is hardly flattering to the one country in the region which prides itself on its democratic credentials.

For all the strength of the public taboo on the subject, in private more and more Israelis are becoming convinced that one day they will have to deal directly with "the terrorists". rather than fudge the issue by making overtures to King Hussein of Jordan. The King heiped this argument forward on July 31, when he announced a divorce between the two banks of the Jordan river by severing the West Bank's legal and administrative links

with the Hashemite kingdom.

But the prospect of the PLO finding a place on the Israeli political chessboard is, if anything, more remote than ever after the recent elections. On this Mr Yitzhak Shamir, Israel's caretaker Prime Minister, and the entire right-wing are adamant. The relative decline of the two major political blocs, Labour and Mr Shamir's Likud, at the elections, together with the unexpected surge in support for the religious parties, has complicated the always protracted task of putting together a coalition government. Asked on November 14 by President Chaim Herzog to try to muster a



Where none of the options are easy

Andrew Whitley looks at the difficulties facing Israel as its leaders struggle to agree on a new coalition

he turned.

By allying himself with the ultraOrthodox group, which is demanding
changes in religious legislation which
would effectively relegate the more
liberal Reform and Conservative
branches of Judaism to second-class
status, Mr Shamir risked a painful rift
with Jews outside the country. Rumhlings from the US, the source of
Israel's main political and financial
support, have grown steadily londer support, have grown steadily louder as delegation after delegation has arrived in Jerusalem to express vehement opposition.

Almost out of nowhere, the "Who is

a Jew?" brainteaser - for years the subject of ritual parliamentary battles over individual claims to membership of the Jewish faith and people - has emerged at the centre of the debate. The issue is of far greater concern to foreign Jews than to Israelis, the majority of whom take their religion lightly. Of much greater current concern to native-born Israelis, especially those of Ashkenazi (European) origin, is the threat to the character of the state they see as coming from the

rabbis The flight of middle class Israelis from pious, sober Jerusalem to the hright lights of Tel Aviv and the coastal plain could soon become a flood. Watching the ultra-Orthodox

workable parliamentary majority, Mr communities flexing their new politi-Shamir, has found pitfalls wherever cal muscle for the second time in a cal muscle for the second time in a decade - the first was in 1977, when the Likud brought the Sephardi (Oriental) Jews in from the political cold - the Ashkenazi establishment is querulously demanding: "Whose country is this anyway?"

For their ancestors were the origi-nal pioneers, farming the land and fighting the Arabs. Now others, who do not share the original vision and values, appear to them to be taking over, shaping the state in a very different image.

Few in the Likud have much liking for the messianic nationalism seeping

into the contemporary political debate through the religious parties. But an alliance with Likud's more natural political partners on the secular right also involves an area of explosive

At the top of the right's agenda is a new settlement drive in the West Bank and Gaza Strip, which would

inevitably put Israel on a collision course with the US.
Insisting, "we have the right to live anywhere in this country," Mr Shamir recently pointed out that, in reality, settlement activity barely slowed under the form under the former national unity government, despite its explicit limita-tion. So, why the fuss over its resump-tion, he implicitly asked.

Paradoxical though it may seem

after the frequent coalition crises of the past four years, of all the combi-nations of political groupings avail-able to the Likud leader, his strong preference is for another broad coalition with the centre-left Labour Alignment, excluding the extreme right and part, at least, of the religious

By embracing, say, one or two of the four religious parties, Mr Shamir can reasonably hope to reduce their demands and at the same time demonstrate that he is a man of his word, prepared to live with promises given in his coalition negotiations.

After a decisive meeting on Monday night with his main rival, Mr Shimon Peres, the Labour leader, the outlines of a new government little different from its predecessor have been sketched in. The main difference this Labour will have to abandon its plan for an international peace conference and accept a marginally subordinate role. There will be no "rotation" of the prime ministership, but the gov-ernment's policy guidelines are expec-ted to be unchanged from those

drawn up in 1984. Although such a government might be a recipe for continued stalemate, Likud politicians calculate that that would be better than allowing Mr Shamir to face alone an expected wave of external pressures in the

coming months. At the same time, it would free the Likud from its bondage to extremist parties whose views alienate the majority of voters and Israel's supporters abroad.

The real difficulty for the Prime Minister has been what to do with Mr Peres – the archetypal hare to Mr Shamir's tortoise. Personal relations between the two men deteriorated to such an extent during the last government that it is hard to envisage them co-operating again in the same Cabi-

Whether Labour, now in considerable disarray after a string of recent setbacks, is prepared to accept its ideological opponent's plans is still in the balance. Its large left-wing component, led by Mr Uzi Bar-Am, the party secretary-general, and Mr Ezer Weizman, a former Defence Minister, is openly campaigning to stay out of government and leave the Likud to stew in its own juice.

The party's 100-strong executive committee is likely to meet today to consider the expected recomme tion of Mr Peres and Mr Yitzhak Rabin, the caretaker Defence Minis-ter, that Labour's own interests and those of the nation dictate the forma-tion of another national unity govern-Such a recommendation will be full of irony for those who recall how hard

Mr Peres tried over the past two years to break up the old coalition and force fresh elections. But, looking haggard after his futile recent efforts to persuade Israelis to share his vision for peace with the Arabs, Labour's leader of the past II. Arabs, labour's leader

suade Israelis to share his vision for peace with the Arabs, Labour's leader of the past 11 years has little choice. By joining Mr Rabin, a consistent advocate of teaming up again with Likud, Mr Peres knows he risks splitting the party. But, if he leads Labour back into opposition, an internal post-mortem leading to Mr Peres's own deposition could not be long delayed. With no obvious successor groomed, the likelihood is that Israel's historic party of government, currently at one of its lowest ever ebbs, would turn once again to Mr Rabin—the party leader up to 1977—as a stop-gap.

The caretaker Defence Minister, well aware of his high popularity rating with the public at large, has been positioning himself for the call. The policies he espouses—a far-reaching reform of the labour-owned economy ("no longer an electoral asset"), the abandonment of Labour's long-standing love affair with King Hussein, ing love affair with King Hussein, scepticism over the practicability of electoral reform in the near future – are all rooted in a strong sense of

are all rooted in a strong sense of practical politics, a sense which sets him apart from Mr Peres.

"The public in Israel either doesn't believe or huy our (Labour's) arguments," he has said.

Israel appears to be groping towards one of its periodic shake-ups, a reassessment of its institutions and priorities. The task is made more difficult than in other immigrant societies. cult than in other immigrant societies by the sharply contrasting visions of the country's various founding

Faced with pressures from abroad to open up to foreign competition and meet national development goals, the primary aim of such historic bodies as Hevrat Ha'Ovdim, the Histradut (labour federation) owned conglomer-ate responsible for nearly a quarter of gross national product, is simply to survive.

One plausible interpretation of the election results is that they marked a cive turni fires burning next door, in the West Bank and Gaza Strip. Most ordinary Israelis would rather not have to face the terrible consequences their politicians have been speaking about for so long if the problem of the occupation is not "solved".

They would rather get on with liv-

Ю.,

ing a normal life, like people every-where. But the pressures on the country, both internal and external, are such that the option of putting off painful decisions is no longer available.

So like the Tories

■ Everyone was on parade yesterday in the Supreme Soviet for the big debate on changing the constitution, and the loneliest figure seemed to be Yegor Ligachev. The man who has long been

seen as an uncomfortable num ber two for Mikhail Gorbachev tere, puritan, and decidedly less enthusiastic about glasnost - has taken to sitting with an empty seat between him and his colleagues. He is still in the same row as Gorbachev, but at a distinct dis-tance. Yesterday he had an empty seat not only on his left but on his right — in a Grand Kremlin Palace where elsewhere there was standing room only.

Kremlin-watchers are a frustrated breed in these days of greater openness, but they still read the entrails and are baffled by the message. Is it a deliberate distancing by Ligachev, not wishing to be tainted with excessive enthusiasm for the pace of reform, or has he been pushed?

My own theory, confirmed by some Russians, is thet they are rather like Margaret Thatcher and Edward Heath. They have a great deal in common, but simply can't stand each other. Still, in the old days, the two used to chat away on big occasions. Yester-day Gorbachev's small talk was reserved for Nikolai Ryzhkov, his Prime Minister, who was by his side.

The other sorry-looking figure in the auditorium was Ligachev's old rival, now demoted - Boris Yeltsin, onetime party chief in Moscow. He was skulking right at the back in the far left hand corner of the chamber, to which his present status as a deputy min ister of construction has relegated him. One could find some British parallels there as well.

OBSERVER

BL United

■ While paying warm tribute to his predecessor, Sir Michael Edwardes, the incoming chairman, Ray Horrocks, said yesterday thet divisional chief executive Harold Musgrove will join the group Board on January 1. But it wasn't Brit-ish Leyland; it was the Chlo-

ride Group.
Horrocks, the former BL
Cars chairman, has followed
in the footsteps of Edwardes, the former BL chairman, to become group chairman of Chloride. Musgrove, the form Austin Rover chairman, will join the battery group's Board in January. He has been run-ning the industrial batteries division for some months, after having been recruited initially

as a consultant by his old hoss, Edwardes.
To complete this merry BL Old Boys picture, who should have fielded questions on Chloride's interim results yesterday but Deta Pagniss Barries and but Peter Regnier. Regnier was Musgrove's finance director at Austin Rover.

The traffic has not been all one way. Chloride's former inance director, David Hankinson, paved the way for Reg-nier to move in last year by becoming, temporarily at least, finance director of what is now Rover. Edwardes had 37 years with Chloride and is now chairman of Minorco; there is no confirmation that Horrocks will follow him there.

Another Trump ■ Ivana Trump, wife of Donald, was in London yesterday talking about what she and her husband intend to do with The Piaza, New York. Donald Trump bought The Plaza for \$390m earlier this year – the highest price ever paid for a hotel. Ivana has become the

President. She brought with her the



"And this is from his 'des-

executive chef, Alain Sailbac, to show what can be done. It is only a personal comment by Observer that Noisette of Texas Roebuch Deer with hearts of artichoke, chestnut purée and pumpkin polenta is pretentious and not worth the effort. The Trumps are strong on publicity.

Ivana was born in Czechoslovakia, like the great American tennis players. She took a degree in physical education at Charles University in Prague and was a reserve for the Czech Olympic ski team in 1972. She then emigrated to Canada and became a fashion

She prides herself on being European. In the hotel business, she says, the Americans are interested only in the bot-tom line. "It takes the Europe ans to introduce the concept of service — people who can sew on a button." She appears to be apolitical. "I was very happy under a communistic system; I am very happy under a capitalistic one." The lunch took place in what for years

was the Belfry Club, a restaurant in an old church just off Belgrave Square much fre-quented by diplomats. It is now called Mossiman's after the chef of that name who left the Dorchester. Not all the changes

in the last few years have been

Hanging matter

for the better.

After decking its windows with festive finery, Mitsukoshi, the Japanese luxury department store, has set Tokyo alight with a real Christmas mystery story. Who is the cus-tomer for whom Mitsukoshi bought the Picasso for £21.9m

on Monday?

Misukoshi says it did not buy the painting, Acrobat and the Young Harlequin, on its own account, but on behalf of an un-named client. It will not divulge a name. The betting in Tokyo is that

the huyer is probably a com-pany rather than a private individual. In that case, the truth will come out as soon as the painting is hung on a boardroom wall. But the pur-chaser may bide his time. When Yasuda Fire and Marine bought Van Gogh's Sunflowers for £22.5m last year, it was roundly criticised by the Japanese Ministry of Finance for flaunting its wealth. "Insur-ance companies should manage insurance funds, not buy expensive art," Yasuda was told. So whoever is getting a Picasso for Christmas has good reasons for keeping quiet about it.

With knobs on m Sofitel, the French hotel group, is preparing for the challenges of 1992. A note on the bill that comes with room service reads: "Afin d'éviter toute erreur de notre part, nous vous remercions d'avoir l'amabilité de bien vouloir signer potre commande." It provides this English translation: "In order to avoid any mistake, would you be so kind as to sign the present door-knob."

Burb-Burb. Burb-Burb. Burb-Burb. Burb-Burb.

Are customers hanging on, then hanging up? A phone call, is often the first impression a customer gets of your company.

What impression do you give? Are you continually engaged, because you've too lew lines?

is your switchboard slow to pick up calls? Are personal calls blocking customer calls? The solution to all these problems is a Claire call

management system from Communication Control. Claire logs all telephone activity, giving you the data needed to run your phone system efficiently. The equipment costs under £12 pw. and reduces phone bills by up to 20%.

Make your phone system work harder for your company, call Communication Control on 01-660 1118.

COMMUNICATION ·CONTROL·

854 Brylston Roed, Purksy Sumey CR2 SLDC, Telephone: 01-660 TT18. Teles: 897641 Claire G.

Maggie Urry reports on the outlook for UK retailers if consumer spending slows

Hard times on the high street

"TEN PER CENT off all microwaves - today only" pro-claimed a hand-written sign in the window of a branch of Dixons, the electrical goods retailer. Similar promotions can be seen up and down British high streets and advertised m the press. But why is this happening in the run-up to Christmas, the one time of year when shoppers can be guaranteed to spend, and the period when many retailers make half their annual profits?

We would not be doing it if sales were booming," says one director of a major group. The slashing of prices follows a dis-appointing interim results season from stores groups.

The stock market has been

predicting a difficult future for retailers for some time. Since the end of 1985 the sector has consistently underperformed the market. "It's a tough time standard wail from stores revealed their latest figures during the autumn. Sir Ralph Halpern, chairman of Burton, for example, said on publishing full-year figures for his company that "retailing has changed dramatically over the last six months" and that 1989

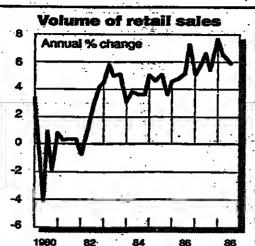
would be even tougher.
Retailers put the blame on the Chancellor. His determination to slow the consumer hoom, as a way of constraining inflation and rectifying the bal-ance of payments deficit, hits retailers first and hardest. Retailers say higher interest rates are persuading consum-ers to think again before spending money - especially on major items like furniture

and electrical goods. Mr Geoff Davy, chief executive of BhS, part of the Storehouse group, argues that in a time of uncertainty "there is a period when people take stock, adjust to it, and then adopt a new level of demand." We are now in that period, he sug-

2 mg

1117/12

However, this apparent slowdown does not seem to be showing up in the official retail sales statistics. October's provisional figure showed a 1.9 per cent volume rise over September. Nor is it evident in the trade figures, where sharply rising imports of consumer goods have contributed to the deficit. There may be an element of scaremongering by the retailers - trying to demonstrate that the Chancellor's on-year volume growth in like-



Stores sector 150 Relative to FT-A 140 120 110 100 90 1980 Russell Schiller, of Hiller Par-

ker, reports that retailers are still making hullish noises about their demand for space,

saying that even if there is a downturn they will continue to

expand. "They all say the other

chap could have problems, but

not us," he says. Even if rent increases were

to stop now retailers would

find their rent bill continuing

rental reviews fixed in most eases. On top of that the new

rating system, which comes

into effect in 1990, will hit

Another problem is con-

nected with retailers' opera-tional gearing. Many still plan to increase their sales area at a

faster rate than the projected 2

per cent volume growth -meaning that volume in exist-

This could have a adverse

effect on margins. Shops do

very well when volume in

existing or "like-for-like" space

is rising - which is why Christmastime is so profitable.

The cost of selling 101 shirts in a shop which was built and

staffed to sell 100 is barely

more than the cost of buying in the extra shirt. Thus the

gross margin on the extra vol-

The crunch comes when it

appens in reverse. If volumes

fall, margins can be eroded

rapidly. This explains the retailers' anxiety to get people

into the shops with price-cut-ting promotions. That plan backfired somewhat in the

summer when many of the

clothing groups, which have been suffering most, started

ume becomes the net margin.

ing space is destined to fall.

retailers hard.

to rise because of the five-year

policy was beginning to work and thus averting yet higher interest rates. The one percentage point rise in base rates last Friday, following dismal trade figures, was bad news for retailers. Fearing more of the same, they are bound to argue that they are doing worse than the official sales figures suggest. Some are also warning their staff that wage increases will have to be kept under control, their suppliers that they too must share the pain, and their landlords that rental increases cannot continue

If profits growth slackens. retailers will largely have themselves to blame. Retail sales have been showing strong rises, above the rate of inflation, for some years, with 1987 and 1988 seeing volume growth of 5 or 6 per cent. Stores groups have been eager to increase their share of this fast expanding market, con-cerned that as the UK retail industry nears maturity -Britain has a well developed retail industry and a near static population — each must ensure it has a strong position

in the market. Forecasters believe that the government's aim is not to cause a decline in retail sales growth to, say 2 per cent a year in total, although with variations between different sectors. In the past that would have seemed a reasonable increase for all the retailers to share.

But the stores have become

for-like space," says Mr Davy, "it doesn't take long to get used to it."

Retailers have been able to increase the volume of sales through their existing (like-for-like) stores and win extra narket share by opening new ones. They have been able to push up their gross and net profit margins. Store refurbishments have rapidly paid off.
Many stores, ever optimistic,
are now geared to higher levels
of volume growth than the 2
per cent projection.

The seriousness of higher interest rates is that they come at a time when the conse quences of this too rapid

Retail sales growth is set to slow at a time when retail profits are already under pressure'

expansion are beginning to bite anyway. "Retail sales growth is set to slow at a time when retail profits are already under pressure," warns Mr John Richards of brokers County NatWest WoodMac.

The pressure comes partly from rising costs. It is a simple equation. If the rise in retail-ers' sales is less fast than the increase in costs, margins must fall. And competitive action has been and will keep shop price inflation lower than shops' cost inflation.

The pressure from higher property costs are well-known. Retail rents have been pushed up by the rush to expand. Mr only to find the weather improving. Those who had kept their nerve and held sales late did far better.

BhS recently offered London shoppers a voucher worth £2 off purchases over £20 and £4 when £40 or more was spent Mr Davy argues that since the average transaction value in BhS is less than 220, the extra volume gained by encouraging bigger purchases more than offsets the 22 knocked off.

But would the extra sales have come anyway, given that Christmas is coming and the weather lately has been ideal for retailers? "That's the \$64,000 question," replies Mr

Davy.

Not all the stores are suffering. Boots, the industrial and retail chemist, amounced last week a one-third increase in trading profits for its Boots The Chemist chain. Mr Robert The Chemist chain. Mr Robert Gunn, Boots' chairman, said: Christmas trading started three weeks ago, and we are very pleased with what is happening so far." No wide-rang-ing price promotions are evi-

Mr Keith Ackroyd, managing director of Boots' retail divi sion, argues that other retail-ers have been "laying up prob-lems for themselves in rent and rates, by their rapid expansion. Boots, he says, expanded fast in the 1970s only to discover their profits slip-ping. Since 1982 the sales area has been held fairly static.

There will undoubtedly be losers in retailing in the next few years. Many were able to carry on quite cheerfully when sales were booming but lack the management controls to cope when they have to fight

for every scrap of volume.

Among the winners will be those whose property portfolios have a good proportion of freehold or long leasehold stores - such as Marks and Spencer and Boots - rather than the ones which have sold off their freeholds to pay for yet more expansion.

A sorting out process will be welcome in the City where analysts have become frustrated with a sector in which virtually every share underperforms the market regardless of merit, unless it is the subject of a bid rumour. But there may well be an increase in specula tive activity once the poorer performers reveal themselves through declining profits. Latin American debt

The lessons from Chile and Peru

By Peter Hakim and Richard Feinberg

The 1982 debt crisis reversed three decades of economic growth in Latin America and pushed nearly every economy in the region into a tailspin. No two countries were hit harder than neighbouring Chile and Peru - and no two countries have dealt with the crisis more dif-

ferently. Chile became Latin America's model debtor. Since 1982, Chile has fully serviced its international obligations. It has negotiated successive economic programmes with the IMF and World Bank and stuck to them.

Peru chose a different path. It has virtually severed its rela-tions with the international financial community by unilaterally capping debt payments to commercial banks and rejecting IMF and World Bank

policy prescriptions.

The results? Peru's economy is collapsing. Its reserves are depleted and it has almost no access to external credit. The country's inflation is at record levels; unemployment is wide-spread and rising; and invest-

ment has dried up.
In contrast, Chile's macroecouomy may be performing
better than any other in Latin America. It has enjoyed solid growth for the past three years and appears capable now of sustaining that growth. Infla-tion is low, exports are booming and employment is expanding. Investment is increasing and few Latin American countries have had more success in obtaining new credits.

It is easy to extract the wrong lessons from this comparison. One is tempted to draw the conclusion that Latin America's heavily-indebted countries can revive their economies even as they service their debts if, like Chile, they adopt "correct" market-ori-ented policies. The fact is, however, that the course pursued by Chile is not an option for the region's other major debt-ors — Argentina, Brazil, Mexico, Venezuela or Peru.

These countries are ruled by civilians who must confront the give and take of democratic politics. It is hardly surprising that they have been unable to sustain the extreme austerity measures imposed by Chile on its population. In Chile, after all, economic policy is imple-mented by fiat. There is no mented by hat. Inere wrangling with labour unions and business, and no need to gain congressional assent.

The Chilean government the controlling its

The Chilean governments succeeded in controlling its budget deficit and restoring growth even as it was transferring huge sums abroad. These accomplishments, however, in drastic. carried a high price in drastic wage reductions, high unemployment, many bankruptcies and deep cuts in social spending. Few civilian governments could maintain attachments

could maintain such policies for so prolonged a period.

It would also be wrong to conclude that debtor countries have nothing to gain from sus-pending debt payments. Peru's debt payments suspension provided the country with more resources than it could otherwise have obtained. But it squandered those resources in pursuing the politically popu-lar but economically disastrous course of rapid economic expansion. In 1986 and 1987, Peru enjoyed the highest

growth rates in all of Latin America. Now it is paying the bill. By allowing wages, imports and public spending to rise beyond sustainable levels, the country ended up with a huge fiscal deficit, no foreign reserves and uncontrollable inflationary pressures.

Peru's economic undoing was not its suspension of deb payments; rather, it was the government's failure to put the resources thus obtained to productive use. Therein lies the most important lesson; sound economic policies are essential for recovery in Latin America.

Governments must trim fiscal deficits that lead to high inflation and divert resources from private investment. They must allow markets to deter-mine most prices, eliminate subsidies to inefficient enterprises and set realistic exchange rates. Chile has shown the value of adhering to such policies. Peru demonstrated the consequences of failing to do so.

Fundamental economic reform will always face politi-

cal opposition and will cause hardships But with access to sufficient resources. countries the shocks More importantly. With adequate financial backs more substantial results, blunting political resistance.

A significant reduction in net resource transfer—the imbress of repayments and interest over new loans—is essential if the region is to needs to sustain economic reform and resume growth. Since 1982, Latin America's annual Scott needs to sustain economic reform and resume growth. Since 1982, Latin America has not been able to attract adequate levels of external financing. Now, a reduction in debt service loans as the only realistic source of necessary capital for the region.

Nations that gain a reduction that the region.

istic source of necessary capital for the region.

Nations that gain a reduction in delt service can, however, dissipate the retained capital, as Peru did. That is why debt relief must be accomplished in an orderly lashion—through negotiations between creditors and debtors. For countries without access to new capital, debt service reduction is urgently needed, but it makes sense only if the heneficiary countries are committed. ciary countries are committed to adopt adjustment policies that will make their economies more efficient, help restore musiness confidence and contribute to long-term growth.
Neither Chile nor Peru pro-

vide an adequate economic model for Latin America. Most countries have rejected both approaches - the Chileao, because it is politically untena ble for fragile democracies; the Peruvian, because it is economically disastrous. The region needs a third approach: sound economic policies combined with relief from crushing debt payments. This is the only way Latin America's debtors can achieve recovery and maintain political stability.

The authors are, respectively, staff director of Inter-American Dialogue, a private group of North and South American leaders, and Vice President of the US Overseas Development

House prices add to inflation risk

From Mr John Mucilbauer. Sir, Samuel Brittan con-cluded, in his Economic Viewpoint (November 3) on the explanation of current infla-

. .the main error was in not embarking on the policy of pegging sterling much earlier when the pound was above DM 3.5 and sustaining it for lon-

This is way off-beam. Since I had a hand in persuading him - in the autumn of 1986 --that sterling should be tar-geted in the range DM 2.8-3, my disagreement is perhaps only to be expected. I argued (FT article, August 13 1986) that, given this target, no fiscal stimulus should be undertaken, thus disagreeing with the chorus of voices from what Mr Brittan calls the "economic establishment" calling for such

a stimulus I correctly foresaw that once the E stabilised, interest rates would fall substantially; and so that with the improved level of competitiveness the economy would grow strongly. Given asset sales in 1987, both the 1987 and 1988 budgets were excessively expansionary, particularly in their bias towards

More fundamentally, the house price boom (the inflationary and balance of payments consequences of which I

THE PARTY A

garage.

agreed to the second of

4.9.4

 $\frac{1}{2^{n+1}} e^{i \frac{\pi}{2} \frac{1}{2^n} \frac{1}{2^n}}$

Harry Market

1 P P 2 S 41

be different.

Research paper ("Housing, Wages and UK Labour Markets," Bover/Muellbauer/Murphy, July 1988). More recently we have accumulated pery

began to warn about FT, Octo-ber 23 1986, December 23 1986) was allowed to continue unchecked for far too long. Instead of being tackled by long overdue tax reforms, the announcement that domestic rates would be abolished, to be replaced by the poll tax, fuelled the boom further.

In his 1988 Mansion House speech, Mr Lawson, the Chan-

cellor, accepted that the house price boom has to bear part of the blame for the decline in the UK savings ratio and so, by implication, for the trade defi-cit. In the past such deficits have contributed to inflation because the resulting downward pressure on the exchange rate has not been completely resisted. This time, things may

Evidence that the bouse price boom has had damaging direct effects on the supply side, and especially on wage inflation, can be found in a Centre for Economic Policy strong evidence, from our work on regional and international migration, which further sup-ports this supply side interpre-tation of house price effects. On inflation, I conclude that

economic policy in the past six years has been to liberalise credit markets without at the same time reforming the tax treatment of bousing - and without doing more to improve

the workings of housing mar-kets. In his Economic Commentary (November 17 1988) Mr Brittan acknowledges a role for monetary policy in addition to whatever is necessary for exchange rate targeting, but does not comment on the mechanism by which this is

mechanism by which this is supposed to work.

The failure really to get to grips with training and educa-tion in the past nine years — though not unique to this administration — has surely exacerbated the skill shortages now adding to wage pressure. now adding to wage pressure. Failure to recognise that public investment can belp to improve the productive capacinprove the promittive capac-ity of the economy, and the last two budgets, which erred in their generosity to consum-ers, have also played a part. Regarding inflation, these failures have more than offset the two great economic sucthe two greats economic suc-cesses: raising underlying pro-ductivity trends; and curbing union power, which (our research suggests) has played a substantial role in holding down inflation. John Muellhaner

Civil service

managers

From Mr John Rimington Sir, I gather from Hazel Duffy's reflections (November 28) on the civil service's management performance that senior civil servants in the eyes of middle management are "detached", "lacking com-mitment to change", and "without vision of where the Department ought to be"; it seems they did not join the

civil service "to be a manager". Correct — if "to be a manager" means defying the reality that the public service can-not be managed on private sector models, helpful though these can be. The civil service is the agent

of a political system, whose medium term purposes are almost by definition highly unstable. The nearer the centre, the greater the art and dif-ficulty of translating political requirements into administra-ble outcomes.

Uncertainty begins at the top; if you cannot live with it, you had better not be a top manager. My principal task, as the manager of a large civil service agency, is to ensure sufficient consistency and stability of purpose to enable jobs to be done effectively; people to contribute to forward movement; and systems for monitor ing, managing and accountabil-ity actually to work. It is probably no different in the "real" – as distinct from the model – private sector.

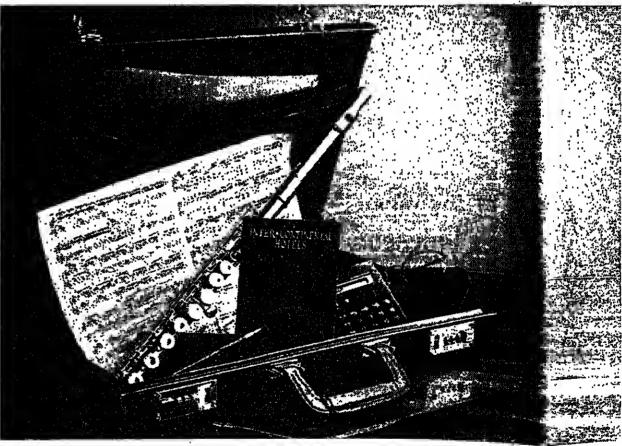
John Rimington,

9 Highbury Hill, NS. Sir, Hazel Duffy refers (November 23) to the concern felt by some (presumably, min-

A core value of the civil service is the need to conserve public expenditure; hence the dilemma. Tackling core beliefs and assumptions is the chal-lenge for civil service ministers

Corporate Renewal Associates, 24 Fitzroy Square, W1

CONDUCT YOUR BUSINESS WITH STYLE ...



... AND COME BACK FOR AN ENCORE.

An Inter-Continental Prolude At Special Winter Retes.

Now you can conduct your business with all the elegance and deluxe service of a worldclass hotel at a truly remarkable price. From 1st December to 28th February enjoy Inter-Continental and Forum Hotels at our special winter rates. And to make your stay perfect, you'll receive e stylish and desirable complimentary gift for someone very special on a stay of two nights or more.

And a Finale for The Weekend. You'li receive a certificate for an upgrade

to a suite or deluxe room for the weekend at any participating inter-Continental or Forum Hotel when you etay just two week nighte.

For details of our special winter rates

contact your travel agent. For reservations see the telephone numbers below.

£49.00 £59.00 £69.00 £89.00 £109.00 GENEVA VIENNA VIENNA THE AMSTEL AMSTERDAM COLOGRE FRANKFURT

INTER-CONTINENTAL FOTELS FORUM HOTELS

LONDON 741 9000 - REST OF UK 0345 581 444 WEST GERMANY 0130-3955 - FRANCE 1945-90-85-55

'Government should not make such decisions'

From Mr Robert Jackson MP. Parliamentary Under Secretary of State at the Department of Education and Science.

Sir, I am sorry that Michael Prowse (Lombard column, November 24) believes that my speech on Philosophy in Higher Education", to which he devotes to the whole of his could be called coherent argu-

Since he fails to provide any account of that argument it will be difficult for your readers to judge the truth of his

The whole debate will be the Times Literary Supplement I am pleased that those who are really interested in this controversy will have this opportunity to form their own judgments. For my part, I am

sure that they will not find that Mr Prowse's account of the debate does justice to my

argument.
For those who are simply bemused, let me summarise that argument as follows: In my speech I posed the question: "How does a country decide how much to spend on the study of philosophy in uni-versities?" I argued that gov-ernment should not make such decisions, because to do so it would have to have a policy for

finds by Government to the University Grants Committee; block allocations of funds by the UGC to universities; internal state of within universities.

cerned, it currently provides felt by some (presumably, minthe largest fraction of gross isters and civil servants) of national product (GNP) for higher education in Western Europe (except the Netherlands).

My conclusion is that decisions about how much to spend on philosophy are made — and are most properly made — and are most properly made — by the academic community itselft not by the Government.

philosophy, which might constrain free enquiry.

Having pointed out this diffi-culty, I sought to describe the procedures currently followed in Britain; block allocation of Robert Jackson Department of Education and and senior managers now. Science: S.M. Fish,

ties by the academics them-1 added that so far as the Government's role is concerned, it currently provides

itself: not by the Government. be a sign of success.

Mr Prowse would have done
A core value of the
your readers better service by
Vice is the need to explaining why he disagrees with this preposition — if, indeed, he does.

Thatcher attacks failure to extradite priest

By Charles Hodgson in London and Kieran Cooke in Dublin

MRS Margaret Thatcher, the UK Prime Minister, yesterday launched a scathing attack on the Irish and Belgian Governthe Irish and Belgian Governments over the failure to extradite Father Patrick Ryan, the
Irish priest wanted in Britain
for alleged terrorist offences.
The Prime Minister also
strongly defended Britain's
anti-terrorism legislation in the
wake of yesterday's ruling by
the European Court of Human
Rights in Strasbourg, that powers of detention under the Prevention of Terrorism Act
breached the European human

rights convention. She said that the police would be ensured of the neces-sary powers to tackle terrorism effectively and said that Britain had to take account of the human rights of victims and potential victims of terror-ism as well as suspects.

ism as well as suspects.

Speaking in the House of Commons, Mrs Thatcher said she was "utterly dismayed" at the Belgian decision not to extradite Fr Ryan and accused Dublin of "lack of resolve" in ignoring Britain's request to arrest him on his return to

Dublin.
"It is no use governments adopting great declarations that fight. and commitments about fight-ing terrorism if they then lack the resolve to put them into practice," she said, in one of the hardest-hitting attacks on Mr Charles Haughey's govern-ment in the recent troubled Anglatish relationship Anglo-Irish relationship. in Dublin, embarrassment over the Ryan case quickly turned to anger in the wake of the harsh criticism from Mrs

Thatcher and Sir Patrick May-hew, the British Attorney Gen-

eral.
The Irish Government said The Irish Government said that the case was now in the hands of Mr John Murray, the Irish Attorney General. Under new Irish extradition legislation Mr Murray must first examine complex British extradition documents on Fr Byan before Elemina the company to the result. before allowing the case to pro-

ceed to court.
While the Dublin government has said little publicly about the case, there is no doubting the degree of anger felt both within and outside

is considered to be British high-handedness and over-reac-

Mr Gerry Collins, the Irish Minister for Justice, told the Dail that the Ryan case, which was discussed yesterday by the Irish cabinet, was complex and it would take some time before the Irish Attorney General decided whether to an sheed decided whether to go ahead with extradition proceedings. Irish officials said Dublin would have to establish whether Britain had presented a "sufficiency of evidence."

Lawson fights his corner

THE LEX COLUMN

Last week's painful rise in interest rates may have made Mr Nigel Lawson look undes-erving of his recent Thatcher award for Best Chancellor on Record, but according to his skilful speech to the Commons yesterday everything is well under control. By making so much of inflation and so little of the current account as the economy's only bogey he has deftly selected a problem is which is arguably not of his making and not acute at present, and concluded that both economic health and policy are hunky-down

economic health and policy are hunky-dory.

Yesterday's continued rise in sterling might suggest that the markets agree. But in fact the motivation to buy pounds has little to do with the UK economy: with money in the UK earning some 8 per cent more than in Germany, sterling only needs to be above 3.07 in six months time to make it a good buy now. Were it not for the little matter of the trade deficit sterling's attractions would look overwhelming, even at DM 3.20. However, the jagged movement of the pound in recent months shows that previous promises of a free hunch vious promises of a free hunch in the currency markets have not proved particularly nour-ishing. For all Lawson's insis-tence that the trade deficit does not matter, it was after all the foreign exchange market's response to Friday's figures which prompted the base rate rise. And the prospect of a repeat performance next month may mean that sterling does not have a great deal further to run.

Allied Lyons

Allied Lyons finds itself entangled in a string of topical issues at the moment: the manceuvres of Mr Alan Bond, the Monopolies Commission's plans for the brewing industry, and the valuation of brands. Mr Bond is perhaps the most pressing problem, and certainly the most mysterious. Whatever his plans for Texaco Canada, he has at least convinced the market that he is now more interested in Lourho than in Allied. But even if one suspects Allied to be beyond. his reach, his stake makes a certain sense; his lager brands make up the most interesting part of Allied's beer portfolio, and anyone wanting to make a play for Allied would have to

treat with Mr Bond as both brewer and stakeholder. In the long run, the brewing connection may matter less Al-lied makes plain that if the brewing tie were done away

Affied Lyons Share price relative to the FT-A All-Share Index

1985 86 87 88

with, it would rather run pubs - where 70 per cent of the brewing division's profits come brewing division's profits come from — than make beer. Its own beer brands are worth a great deal, but though Allied will have valuations to hand for defensive purposes, it does not propose to help an attacker by publishing them. Indeed, one can sympathise with the directors' view that they would rather sign a conventionally meaningless balance sheet than one of their own devising. The tricky question is what Allied would be worth were Mr Bond simply to go away. Yesterday's 19 per cent growth in interim earnings points to a interim earnings points to a current year multiple of around 11, and the downside

from that on fundamental grounds cannot be enormous. The upside is that with Allied's three divisions of beer, food and drinks all fashionable areas for restructuring, the asset shufflers must still be out with their calculators.

Bond Corp

What the markets know about Mr Alan Bond's inten-tions tends to depend on which time zone they happen to be time zone they happen to be located in. A story which started life yesterday in Perth as a firm bid by Bond Corp for Texaco Canada had become no more than a preliminary expression of interest by afternoon in New York. The figures involved turn out to be even more flexible: initial suggestions that the deal would call tions that the deal would call on only A\$500m in Bond funds thing altogether closer to ten

Not surprisingly, Lonrho's shares took a sick lurch on the news, on the principle that not even Mr Bond's bankers think he is a suitable person to own both C\$5bn worth of Canadian oil and £2hn worth of African gold. But the stock soon recovered its spirits. True, bidding for Texaco Canada would leave

Mr Bond out of pocket when it came to Lombo; but the pau-city of Mr Bond's finances is not exactly news to the mar-ket, which has never quite het, which has never quite been able to see how he would fund a bid for Lonrho anyway. That has not stilled specula-tion over a bid up to now, and it did nothing to stop it yester-day either — no more, it seems, than did Lonrho's recent, world through the horrecent prowl through the hor-rors of Bond group borrowings.

HK Telecom

The real success of the HK\$4bn HK Telecom issue cannot be judged until the shares resume trading later this week, but at least Cable & Wireless and the Hong Kong Govern-ment should be reasonably well satisfied. Helped by sur-prisingly robust local demand, they have been able to increase the size of the issue by more than 10 per cent, and while HK\$4.55 per share may look cheap by comparison with HK Telecom's peak of HK\$6.60, it is still being sold on a prospec-tive multiple of 14 - some 40 per cent above the market.

HK Telecom, which accounts for about 15 per cent of the Hang Seng Index, has massively underperformed the local stock market since its shares made their debut in February, and now that the issue is out of the way they should be a better investment.
Nevertheless, it is still rather
puzzling why international
investors should be prepared to
pay a premium for HK Telecom
when they could get the same exposure to Hong Kong and higher earnings growth by buying Cable & Wireless on less than 13 times earnings.

Hambros

It is beginning to look as if Hambros' leap into the UK estate agency business is as questionable as its rivals' bids to become fully integrated securities houses. For a few months after the crash it seemed to have been a brilliant. move, but after the recent sharp rise in UK interest rates Hambro Countrywide – its - is suffering from similar sorts of problems to S.G.Warburg, Kleinwort Benson and Morgan Grenfell, Hambros is taking the axe to overheads, and is hopeful that house sale volume will soon recover; but it is by no means assured that Hambro Countrywide will eventually turn out another moneyspinner like Hambro

European egos put on the line

David Buchan looks at the likely makeup of the new Commission

MR JACQUES DELICIES WILL be very wary of prime ministers trying to collar him for a little corridor chat during the European summit in the crusader castle at Rhodes this weekend. For the odds are they will want to bend his ear on getting the best jobs for their nominees to the new European Commission which takes office in January. The Commission president has already complained this week of "coming under pres-sure from some governments" about the share-out of Brussels jobs in which national, as well as personal, ego is at stake. Having had no say in whom governments have chosen to be his 16 fellow-commissioners, Mr Delors wants to be left alone to decide which of these should get what job in his new team. The line-up will be for-

MR JACQUES DELORS will be

mally announced on December This quadrennial game of political musical chairs – or le valse des portefeuilles as Mr Delors terms it – is tricky at the best of times. But Mr Delors has made it more complicated by his decree that no job should stay the preserve of an individual or country.

This means that the eight men who are hold-overs from the current to the new Commission must change portfolios. It also upsets the conven-tion that certain politically sensitive portfolios such as competition, or big-spending johs such as agriculture, should be off limits to commissioners from large member

The only unwritten rule that still holds good is that Ger-many, France, the UK, Italy and Spain – which have two commissioners each, while the smaller countries get one
- should get a major job for
their senior commissioner. But
this only makes harder the task of carving out 17 decent portfolios when the number of real jobs is in single figures. Barring ructions at Rhodes

the line-up is beginning to look like this. Mr Frans Andriessen (the Netherlands), embarking on his third term as the longest-serving commissioner, will move from agriculture to exter-

This will put someone whose home country is generally on the side of the free traders in charge of external policy at a time when the Community is under foreign fire for protec-tionism. Intimate acquaintance with agriculture over the past four years would do him no



Jacques Delors (left), who will make the decision, and the Commission's Brussels HQ harm in the Gatt trade talks.

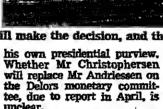
Tenancy of the minor exter-nal jobs is less clear. A portfo-tio dealing with Meditecranean policy and North-South issues was specially tailored four years ago to accommodate the departing Mr Claude Cheysson, the former French Foreign

Mr Abel Matutes (Spain) wants this job, which might well encompass handling new applications by countries to join the Community. There is also the development dossier which entails renegotiating the Lomé aid convention next

Mr Martin Bangemann, the Minister, seems sure to inherit the weighty internal market mantle of Lord Cockfield, more, it seems, in his country's right than in his own. By national origin and party affiliation (FDP), he would probably seek to sustain the Cockfield de-regulatory momentum.

However, the internal market dossier may be shorn of certain areas (perhaps tax and financial services) in Mr Delors' desire to rationalise overlapping economic portfo-

For instance, Mr Henning Christophersen, a former Dan-ish Finance Minister, looks likely to move from budget to a macro-economic dossier that will also take monetary affairs away from Mr Delors himself. This in no way betokens a lessening of Mr Delors' interest in matters monetary. On the con-trary, he believes it important enough to merit another's full-time attention as well as



Like many, Mr Leon Brittan (UK) will have to settle for less than his first choice of internal market. Getting his second choice will put him in charge of competition policy, one of the few Commission activities that will not hring him into general conflict with the Thatcher Government.

However, despite the higher profile that the departing Mr Peter Sutherland gave competition, Mr Brittan may want to make his i more belitting to a senior UK Commissioner by adding more authority over state aids in, say, agriculture. Among the remaining major "horizontal" jobs, budget and personnel has been strongly bid for by Mr Manuel Marin, who among other things is believed to want to give his fellow Spaniards more of a leg-up into Community institutions. Putting him in charge of newly-increased structural funds might evoke conflict of

Spain will be a major benefi-Managing these funds, which would be very much to the taste of a Scottish accountant such as Mr Bruce Millan (the second UK newcomer), will perhaps be the toughest single job in the Berlaymont. By far the biggest of the "vertical" dossiers is agricul-ture, still accounting for more

accusations, since

interruption by Dutchmen or Danes. Current speculation is that Mr Filippo Maria Pandolfi, the new senior Italian Commissioner, will, despite his other ministerial experience in industry and finance, be steered in this direction.

If he, or others, bank at this, Mr Delors might try someone from a smaller country, per-haps Mr Antonio Cardozo (Portugal)
The current industry portfo-

lio may be nearly as ripe as the internal market for breaking up. It brings together responsi bility for sunset industries such as steel, shipbuilding, textiles with that for sunrise sectors such as telecon tions, and R & D. If it is divided up, plausible candi-dates for its constituent parts are Mrs Christiane Scrivener (France), Ms Vasso Papandreou (Greece), and Mr Karel van

Miert (Belgium). However, they are also among candidates - and this is where the rumour mills begin to run steint - for other jobs such as energy, transport and environment. Mr Delors wants to create two independent dossiers out of these last two subjects, and the first to raise his band publicly for the modish subject of the environ-ment has been Mr Carlo Ripa

di Meana (Italy). Hardest of all to allocate may be social affairs because it is virtually the only EC dossier that can be termed (by Mrs Thatcher, for one) ideological. Mr Delors must be weighing up whether he wants to give it substance with a socialist or credibility with a non-socialist.

EC envoy repeats opposition to US farm subsidy plan

By Peter Montagnon and Bridget Bloom in London

THE European Community will maintain its opposition to US demands for the long-term abolition of farm subsidies at next week's trade ministers meeting in Montreal, Mr Frans Andriessen, EC Farm Commissioner, said in London yester-

zero-option on farm reform which Europe could not accept,

which Europe could not accept, he told a press briefing.

"The agriculture industry in the EC would be completely exposed to all that is happening in the world market," if an end to subsidies was accepted, he said. That would raise political accial financial and acc. ical, social, financial and economic problems which Europe could not overcome.

Mr Andriessen's remarks appeared to confirm growing concern in the international trade community that the Mon-treal meeting might fail to resolve the impasse on agriculture which many regard as necessary to give a fresh impe-tus to the Uruguay round of multilateral trade liberalisation negotiations.

The Commissioner sought during the briefing to portray the US as isolated in its demand for a zero-option and cautioned against the view chance to resolve the issue. Even if we can't agree in Montreal, that doesn't mean the negotiations would be a failure," he said.

Mr Andriessen drew attention to the efforts made by the EC to reduce its farm surpluses in recent years as well as to the real cut of 25 per cent in European cereals prices.

There is no reason to argue that we are not credible in our negotiating position and that others are," he said. The US had been intensifying its support for agriculture just as the EC had been reducing it. A zero-option for farm subsis was not part of the agenda for the talks agreed two years ago in Punta del Este, Uru-guay. "We didn't agree that in Punta and we will not agree in

the mid-term review of the Urugusy Round in Montreal. Mr Andriessen said he had been pleased to learn that Australia, a leading member of the so-called Cairus group of inde-

pendant farm exporters, was now prepared to take a more flexible view of the long-term goals for farm reform.
Europe could not accept the zero option, but in the spirit of Punta del Este it could compro-

naise on short-term measures needed to stabilise world farm markets, the introduction of mechanisms for measuring subsidisation and a framework

for negotiating reform.

He repeated the European view that it should receive credit in the Uruguay round for measures already taken, which had led to a disappearance of the surplus in butter and milk powder and a sharp drop in the beef surplus. in a separate attack on US policies. Mr Andriessen criticised the Reagan Administration for falling to accept a conpromise solution to the looming transatiantic dispute over the impact on US exports of Europe's ban on growth hor-

FOR EXPERIENCED PRIVATE CLIENTS

EXECUTION ONLY STOCKBROKING — THE STRAIGHT ANSWER

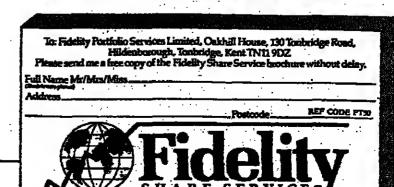


If you are an active investor and know your own mind, ask yourself a straight question.

Are you paying more in commission charges than you need? The straight answer is that with a once-only joining fee of £25 and a flat commission rate of £50 for all deals between £4,000 and £20,000, Fidelity could substantially reduce the commission you pay on execution-only share deals. But commission savings are only part of the story. With Fidelity you get a level of service you would expect from a stockbroking company associated

with one of the world's major investment houses. A service which includes rapid execution of orders, efficient administration to handle all your paperwork, prompt settlement and a convenient callfree telephone service. To find out how you can save on commission charges and enjoy a premium service, 'phone us on 0800 800 700 from Monday to Friday between 8.00 a.m. and 6.00 p.m. or return the compon.

re Service is the execution only starre dealing service of Fidelity Portfolio Services Limited. Member of The International Stock Exchange and The Securities Association.



Plessey bid

Continued from Page 1 Thomson of France, both of which have been mentioned as possible purchasers. Plessey has been discussing potential areas of collaboration with the mucated yesterday that the company had contacted the US Pentagon as part of its defen-sive strategy against the bid. Plessey now generates sales of almost \$500m as year in America and the US Defence Department has an interest in the ownership of this business,

was considering a wide range of responses to the takeover

Gorbachev pledge on republics

than half EC spending and hitherto held almost without

president of the presidium of the Estonian Supreme Soviet, hinted that agreement might be possible on the revised draft, although be insisted that he had yet to see the text of

the planned amendments.
"We have discussed the problems, and I believe we have cleared them up," he said. He admitted that Estonia had passed illegal amendments, "but this is the time of peres-troiks, and many things do not conform to Soviet law." Another huge rally in the Georgian capital, Tbilisi, yesterday dispersed peacefully after the Soviet leader's speech was read out. Dozens of demonstration strators have been on hunger strike in the main square for the past week to demand

changes in the reforms.

The major criticism from the

republics was that they tilted the balance within the USSR further in favour of central authority, by giving the new Congress of Deputies exclusive powers over key questions such as the "composition" of the Soviet Union, and the definition of its internal as well as external borders. They were also angry at specific powers to set guidelines for the economies of the republics, which are pressing for far more economic autonomy from Moscow. Mr Gorbachev has laid down clear limits on the extent of devolution he is prepared to countenance - refusing to accept Estonia's demand to control its own natural

Continued from Page 1 cellor was more relevant that

whether his policies would suc-

high-handed rule of the past. He said yesterday that a key element still to come would be granting far wider financial resources to local authorities - the revived Soviets at town and district level - as well as and district level – as well as to the republics' governments. The Soviet leader also sought to defuse criticism of the far-reaching powers of the new executive president – a job which he is confidently expected to take himself.

rejected calls for the law to insist that all elections should have at least two candidates,

expected to take himself.

He insisted that a collective style of government would persist, and promised that the new Congress would have the right to sack a president if dissatisfied with his performance. He

resources, for example. But he also appears to have recognised the popular strength of resentment at Moscow's saying it would be wrong to put any limits on the number

Lawson defends rates rise

Tempers frayed as MPs on Sir William Clark, chairman both sides engaged in con-certed campaigns to disrupt opposing speakers in the debate. Mr Tim Yeo, the Con-servative MP for Suffolk, was ordered by the Speaker to retract a suggestion that Mr Brown had sought in the past to alter the official record of

the Commons. Government ministers com-plained that the Labour leader-ship had themselves led a cam-

paign on the opposition beaches to disrupt the Chan-

of the Conservative backbench finance committee, said that Mr Lawson had been "absolutely right" to raise interest rates to 13 per cent. Previous rate rises had started to slow consumer spending and the latest increase would take time to ork through the pipeline.

In a withering attack on the Government's economic strategy, Mr Edward Heath, the former Prime Minister, criticised the Chancellor for playing down the severity of the economic problems facing the country. He said the situation was "critical" and that the public should be prepared for the difficulties ahe

He claimed that the prob-lems would take much longer to overcome than the Chancelior was acknowledging and warned that the use of interest rates as the only mechanism to correct the present trade imbalance could not succeed.

Concern over

French group for some time.

Meanwhile, Mr Stephen
Walls, Plessey's newly
appointed managing director,
indicated yesterday that the which would be jointly beld by GEC and Plessey if the bid

vere successful. Mr Walls said that Plessey

WORLD WEATHER

irbishmer

INSIDE Australian insurer



UK Insurance groups are witnessing the arrival After some controversy, Australian Mutual Provident Society is to merge with London Life Assurance, mutual life assurer, it hopes to win approval for the merger plan at a High Court hearing in London next Monday. AMP says the merger is merely the first step in a wider international expansion. Page 27

Japanese car group revs up for sales drive into Europe

Nissan, Europe'a leading Japanese car manufacturer, aims to increase its car and commercial vehicle sales in Western Europe by some 20 per cent during the next five years to more than 600,000 units. The group plans to establish a new European headquarters to co-ordi-nate its European sales and marketing operations, help establish a common brand image throughout Europe and strengthen the sales and service network. Page 24

Elliott consolidates stake in



John Elliott, (left) who controls the Elders brewing empire, becam the second Australian entrepreneur within a to buy out his minority shareholders in a Hong Kong company. Elders IXL is offering US\$3.30 for each share it does not own in Hong Konglisted Elders Investments. Page 26

Bank of France comes of age The Bank of France has spent most of the last

two centuries firmly enclosed within its stout walls in the heart of Paris. But it is about to embark on its first strategic plan since its foundation in 1800. The plan represents a determined attempt to modernise operating. structures and come to gripe with the tasks of a central bank at the end of the twentieth cen-tury. Page 29 Marie Committee of the

EC set to pull plug on wine lake



be the EC's biggest problem, but over the ears It has been one of he most stubborn. Undaunted by previous failure, the Commission is making fresh efforts to bring production into line with demand and is planning cut-price sales to dispose of existing surplus stocks. Page 40

Market Statistics

European options exch FT-A world indices FT int bond service

|| NIS

OKING

IR

Loridon stare service London trailed options London tradit options Money markets New int. bond issues World commodity prices World stock mid indices UK dividends amounced

Companies in this section

AMP Society · Air New Zoaland Ameren Distributors American Airilnes Carless Chamberlain Phipps Channel Express Commerzbank Degussa Elders IXL Embassy Property Fairey Feirline Boats Goodman Fielder Hambros

27 JAL 24 Kelt Energy 26 Konica 36 Kromagraphic London Life London Shop 30 Mexwell Comm Corp 32 Nissan 30 PLM 29 Peel Holdings 25 RHM 26 Readlout int 26 Readlout int 32 Saga Petroleum 26 Sodexho 30 Supermet 24 Swanyard Studios Warringtons

Chief price changes yesterday 374 + 7 CFAO 187
2342 + 42 Prinagez 69
3723 + 33 Prinacht 29
Frails 1851 - 8 Spade Ser Faure 10
348.5 - 42 Talc de Luzeres 11
TORCYO (Yes) 1g Taito
7g thopon Juvenica
1 Gal Nopon Torya
2.1g Fatte
Tokar Car
Colone Figures 119 + 16¹2 + 90 + 24⁷6 +

3¹2 10 8 8 8 217. Management

Gr Portland Est 387
Hammerson A 884
Highten Dist. 134
427
Johnson Fry 167
Midland 422
Morgan Groundi 305 - 13 - 5 - 6

Bond Corporation enters auction for Texaco Canada

By David Waller in London and David Owen in Toronto

MR ALAN BOND, the Australian mr Alan Bond, the Austranan entrepreneur whose business interests range from brewing to mining, yesterday declared him-self a prospective bidder for Tex-aco Canada, Canada's fourth largest oil producer and a 78 per cent subsidiary of Texaco, the US oil

giant.

Bond Corporation, Mr Bond's main corporate vehicle, confirmed yesterday, after a day of confused speculation, that it had reached the second stage of the tendering process for the stake. Analysts in Toronto predicted that the sale could value the Canadian operation at as much as C\$5bn (\$4.1bn).

News of Mr Bond's interest left even the closest followers of his intricate business activities in a state of great confusion. Although he has interests in oil, petrol and coal in Australia and

petrol and coal in Australia and China, the successful acquisition of the Canadian company would take him into a relatively new area of npstream oil and gas exploration — and would be his higgest deal to date.

That he should even be con-

templating such a diversification at a time when he is widely believed to be limbering up for a bid for Lonrho, the London-based trading group in which he has a 21.5 per cent stake, greatly added to analysts' perplexity. He has also been liquidating investments in all parts of his global empire, in an attempt to cut group bor-

ALLIED-LYONS, in which Bond Corporation holds a 10.8 per cent stake, yesterday reported pre-tax profits of £229m (\$416m) for the 28 weeks to September 17, en increase of 16.2 per cent on the same period last year. Details,

rowings from A\$7bn (\$6bn) at the end of October to under \$A4bn early next year.

In the latest such move, Mr Bond yesterday sold his 14.9 per cent holding in TV-am, the televi-sion group. His shares were placed in the market by Barcely de Zoete Wedd, the London seen. de Zoete Wedd, the London securities house. The amount raised

was not disclosed, but the stake was valued et approximately £15m (\$27.8m) at yesterday's closing price. Some analysts suggested that

Mr Bond's involvement in the tendering process had been deliberately leaked to take the beat out of Lonrho shares, allowing him to add to his stake. Lonrho shares oscillated between 368p and 385p in heavy trading, end-ing the day 3p down at 376p. Mr John Richardson, chief

executive of Mr Bond's UK and European operations, said the group had got beyond the first stage of the tendering process, launched by the US parent in August. Mr Richardson said that Bond was interested in the whole of the Canadian company, but was probably up against half a dozen other prospective buyers. He declined to give any indication of the level of the Bond bid.

A Texaco Canada spokesman would not comment as to the size of any Bond Corporation bid cit-ing confidentiality agreements with prospective buyers.

Joint venture sheds light on GEC and Siemens

Clay Harris on Anglo-German co-operation

rom the windows of Col-ditz, faded remnants of Second World War camouflage are still discernible on a building across the way. Locals rarely fail to point out the faint markings to visiting Germans: it is not, perhaps, what they expect to find on an industrial estate in north-west London. north-west London.

These days, however, "Colditz"

- the nickname for a former
General Electric Company glass
works in Wembley - is a hive of Anglo-German co-operation as the sales and marketing head-quarters of Osram-GEC. The UK-lighting maker has been jointly owned since 1996 by GEC and Signess, two of -Western Europe's largest industrial

groups.
The partners now have larger prey in their sights; their joint takeover bid for Plessey values the UK electronics group at £1.7bn (\$3.1bn). When they launched the offer earlier this month, GEC and Siemens outlined plans to follow a takeover of Pleaser with the greation of of Plessey with the creation of international joint ventures in sectors such as defence electronics and telecommunications.

By comparison, their co-opera-tion at Osram-GEC is small and limited in geographical scope. Although neither parent group breaks out turnover and profits figures for Osram-GEC, some idea of its size may be gleaned from the £40m Siemens paid GEC in 1986 to buy a 49 per cent stake in Osram-GEC and to regain worldwide - control over the

In spite of the relatively modest size of the venture, the record at Osram-GEC has given intrigu-ing hints of how the two large companies - each with reputations for huge and slow-moving bureaucracies - are learning to

work together. Co-operation between Osram-GEC and Osram, Siemens' wholly-owned West German-based light bulb subsidiary, has ranged across the visible spectrum. They have co-ordinated their approaches to research and development of the co-ordinated statement and development of the co-ordinated statement of the co-ordi opment, product ranges, mann-

facturing and marketing.

Their strategic approaches —
as seen from Wembley — are a
study in contrast. Osram harps
about market share while GEC
focuses on profit margins.

In the UK light source market,
the first shows signs of paying
off. Although market shares are
notoriously hard to discover facturing and marketing.

notoriously hard to discover, Osram-GEC is estimated to have increased its share by 1 to 2 per-centage points over the past year, while the leaders — Thorn and Philips — slipped slightly. The trend in profit margins is more difficult to ascertain.

For both sides, the 1986 accord was overdue. The Osram name had been expropriated from its German owners after the First World War, since when GEC had used the brand in the UK and Commonwealth. When the Gercommonwealth. When the German Osram entered the UK market in the 1970s, it was obliged to use a different brand — Wotan. In spite of the success of this entry into the UK, the Germans were handicapped by a misreading of the market. Even now, says Mr Alan Parry, Osram-GEC

marketing manager: "They
under-estimate the volume but
they over-estimate the amount
the UK consumer will pay."
Meanwhile, Osram-GEC, as the
GEC subsidiary was confusingly named, had focused narrowly on its home market. It lacked the development base to compete



Siemens (left) and Lord Weinstock, managing director of GEC. announce the bid for Plessey

worldwide with Osram or Philips, for domination of the global lighting market.

It would be misleading, how-ever, to interpret the 1986 deal as an exchange of British marketing expertise for German technical knowledge. The partners have a tacit agreement to allocate research leadership to the pioneers in each product.

For example, the German com-pany makes for Osram-GEC small metal-halide lamps which are increasingly in demand for display lighting. Osram-GEC, however, makes

all the low-pressure sodium lamps for the group — and the German parent — and has

UK % market shares for light sources

Thorn Lighting (UK)
Philips (Netherlands)
Osram-GEC (UK/Gern
GTE/Sylvania (US) Wotan (Germany)
Tungsram (Hungary)
General Electric (US)
Others

responsibility for development of high-pressure SON lamps.

This reciprocity has allayed fears that Osram-GEC was to become merely a UK sales outlet for German manufacturing. In fact, UK employment has been steady at between 2,800 and 2,900 since 1986.

since 1986.
Both companies, meanwhile, see the link-up as a way to benesee the ink-up as a way to benefit from economies of scale in volume production of the common incandescent light bulb. No single national market in Europe is large enough to justify installation of the latest machines, producing up to 6,000 bulbs an hour.

Osram-GEC's latest plant for these bulbs is more than five years old and has a capacity of only 3,500 bulbs an hour, but proyears that has a capacity of only 3,500 bulbs an hour, but pro-ductivity has been increased by adopting Osram's method of feed-ing in tungsten filament.

The Osram influence has been felt off the factory floor as well

felt off the factory floor as well. Dr Bernhard Lauffer, planning director and one of the few Germans to join Osram-GEC, masterminded development of a com-puter management system which has transformed a company where orders were being taken on paper only eight months ago. Perhaps most importantly, the arrival of the Germans has shaken Osram-GEC out of any sense of complacency. The new prominence for the name Osram has been a tonic for morale, helping to liberate the company's image from the shadow of GEC, which some insiders felt gave its reputation for staid, albeit well-

engineered products. We want to be seen as an aggressive, progressive market-ing organisation," says Mr Parry. Joint ownership, agrees Mr David Schofield, commercial director, "has given us much more confidence in seeking approval for investment." A total of £10m will have been invested in Osram-GEC by March 1989.

Still unresolved, in an industry thinking in terms of "lighting solutions" rather than electrical hardware is the relationship between bulbs and fittings.

Osram-GEC traditionally has

made both. The Siemens empire, however, has kept the two apart - with bulbs in Osram and fit-tings in a a separate company,

Siemens Lighting.
As a result, Siemens Lighting continues to compete head-on in the UK fittings market with

the co-operation which has been achieved on light sources.

It may be significant that both companies bave stopped stamping their names on to components. This would allow the sound stamping the based words. same fittings to be sold under more than one brand.

Will the partnership continue
in the long term? Under the 1986
agreement, GEC will be able,

next spring, to require Siemens to buy its 51 per cent holding based on a performance-related formula. Siemens' reciprocal right to force GEC to sell comes

Osram-GEC itself sees commercial advantages in continued joint ownership. This leaves it free, for example, to buy certain bulbs from outside suppliers rather than more expensive models offered by its German parent. If the relationship continues after 1993, the team at Colditz would not be displeased. They have learned that it is possible to serve two masters.

Chloride plans to sell loss-making car battery operation

By Andrew Hill in London

CHLORIDE is planning to dispose of its loss-making automotive battery operation in continental Europe and the UK, once the core of the UK electrical energy group, in a move which analysts believe could improve the group's image.

It is thought a buyer would have to pay at least \$30m (\$54.6m) for the operation, which trades principally under the Exide brand name, including seasonal debt of about \$20m. It will retain its larger industrial battery operations.

At the same time, Chloride named Mr Ray Horrocks to succeed Sir Michael Edwardes as non-executive chairman, and revealed a 24 per cent improvement in pre-tax profits to £7.7m in the six months to September 30. Mr Horrocks,

per cent improvement in pre-tax profits to £7.7m in the six months to September 30. Mr Horrocks, already a member of the Chloride board, was a top executive at British Leyland when Sir Michael was chairman there in the late 1970s and early 1980s.

Chloride is thought to be discussing the sale of the automotive battery operation with as many as six bettery-manufacturers, from Japan, the US, Germany and France. They could include Varta and Matsushita, respectively German and Japanese battery-makers. Although the company said a joint venture was another possibility, this is probably less likely than outright sale of the operation, which accounts for about 12 or 13 per cent of group furnover.

No British battery-makers are involved in the talks. Of the two likely UK buyers, Lucas is already involved in e joint venture with Yasua, the Japanese battery maker, and Hawker Siddeley, which makes under the Oldham hrand name, would have encountered monopolies problems.

Mr Peter Regnier, Chloride's finance director and another former BL executive, gave three reasons for the sale:

The European industry is inefficient and in need of consolidation,

The European industry is inefficient and in need of consolidation.

cient and in need of consolidation, especially with 1992 approaching;

• Chloride is unhappy with the seasonal and unpredictable nature of the business, which leads to a large build-up of debt before the peak winter selling season;

• Japanese car makens setting up in Europe have brought Japanese component manufacturers with them, increasing competition.

Mr Regnier said the company wished to concentrate on higher technology power systems, for example stand-by battery power for telecommunications industry, and lithium rechargeable batteries with consumer electronic applications. In August, Chloride bought 51 per cent of Altus Corporation, a US industrial and high technology

battery group.

Chloride is to retain its Exide
International subsidiary, which
makes automotive batteries for non-European countries and makes a return un sales of more than 20

The group's sbares were unmoved by the news falling ip to 58p, despite analysis' pleasure at the announcement. Results, Page 32; Observer, Page 24

Chinese provincial agency to acquire HK Telecom stake By John Elliott in Hong Kong

A TRUST fund, set up to help finance the Chinese provincial government which will take control of Hong Kong from the UK in 1997, is to take a stake in Hong Kong Telecommunications by acquiring over 5 per cent of a HK\$4bn (\$515m) share placement and offer for sale due to be announced in detail by the company tomorrow.

The details will show that the total placement involves 877.5m shares at HK\$4.55 each, 11 per cent more than the original price of \$5.10 announced earlier this month. The shares are being off-ered by Cable and Wireless of the UK, which controls the company.

and the Hong Kong government. China already has stakes in various Hong Kong companies through a number of banking and other institutions, including Guangdong Posts and Communications from the province adjacent to Hong Kong which has 0.1 per cent of HK Telecom.

But the investment in HK Telecom is believed to be the first significant entry into the colony's equity market by the fund, called the Hong Kong SAR Government Land Fund – SAR stands for Special Administrative Performance Special Administrative Region, the colony's status when China takes over.

The fund was set up in 1986 under the 1984 Sino-British Joint

of the net proceeds of government land sales to provide the new administration with an already accumulated nearly HK\$10bn. So far it has placed the money mostly in bank deposits and fixed income instruments.

The HK Telecom share placement is the biggest ever made in Hong Kong. The offer total of \$77.5m shares amounts to about 8 per cent of the company's total expectation of 11 per cent and a total of 6.4 to 7.1 per cent amounced earlier this month.

The price of HK\$4.55 is a discount of 7.6 per cent on the share's closing price of HK\$4.925 when trading was suspended before the market opened yesterday morning.

A total of 5.5m shares are to be

before the market opened yester-day morning.

A total of 575m shares are to be placed in Hong Kong where the offer closes on December 7. with a further 2025m going to the US and 100m to Europe and Japan, both closing on December 15. Cable and Wireless and the Hong Kong government are both offering the same number of shares which will bring Cable and Wireless's stake down from 79 per cent to 75 per cent, while

79 per cent to 75 per cent, while the government will drop from 11 per cent to 7 per cent. Lex, Page 22

LIT Holdings to buy Johnson Fry for £24m

By Nikki Tait in London

LIT Holdings, the acquisitive London-based future and options brokerage, is stepping up its financial services side with the acquisition of Johnson Fry, best known for its active role as a **Business Expansion Scheme** sponsor.

sponsor.

The agreed cash-and-shares offer for Johnson Fry, whose shares trade on London's Unlisted Securities Market, values it at £23.8m (\$44.1m).

LIT Holdings, through its Shatkin Trading and Bailey Trading subsidiaries, is the largest clearing firm on the Chicago Board of Trade, the biggest futures exchange. The commany claims to exchange. The company claims to be the largest clearer of futures and options worldwide.

About a year ago, however, LIT saw a series of management changes, which brought in Mr Michael Middlemas, formerly with Transatlantic Insurance, as chief executive, and Mr John Botts, a former Citicorp executive who now has a small investment bank, as non-executive chairman.

Since then it has made several acquisitions on the hroader finanacquisitors on the monater man-cial sarvices side — including Jersey Jeneral investment Trust, for about £50m, fund manage-ment groups Asset Trust for £14m, and Ashburton Trust for up

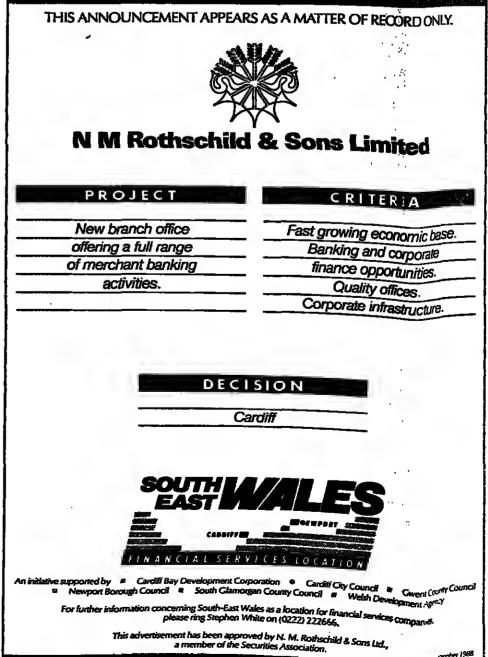
Alam and Assourton Trust for up to E6n. L. Yesterday, LIT said that the Johnson Fry deal was an extension of this policy. The group was started by Mr Michael Johnson and Michaels Fry in 1969, largely as a life assurance and miortages broker.

In the year to end-October, pre-tax wrofits were £1.22m. The

pre-tax profits were £1.22m. The directors forecast not less than £2.4m in the year just ended. The teams of the offer are 78 LFT shares and 60.19 in cash for

every 100 Fry, which . with LIT 6p lower at 145p values each Fry at 173p. Yesterday, Fry shares jumped from 102p to 167p. Johnson Fry came to the USM two years ago, but 53 per cent of shares are in the hands of direc-

tors. These have been irrevocably pledged to accept the offer.



INTERNATIONAL COMPANIES AND FINANCE

Cuomo urges NY pension fund to halt LBO funding

By James Buchan in New York

GOVERNOR Mario Cuomo of est and most important sign of New York has asked the state's growing political revulsion at huge pension fund to stop Wall Street's increasingly New York has asked the state's huge pension fund to stop investing in company take-overs amid spreading uneasiness over the bout of Wall Street deal making.

In a statement published late on Monday, Governor Cuomo said he had asked the sole trustee of the \$36bn state Common Retirement Fund to stop investing in Wall Street "war chests" for takeovers and buyouts while a special 20-man task force of business, labour and Wall Street leaders exam-ined the takeover business.

The move is significant because New York, with more than \$100bn deployed in the financial markets by three state pension funds, could influence other big state administrations.

The announcement is the lat-

ambitious and leveraged take-over deals, culminating in this month's \$20bn battle to buy and break up RJR Nabisco, the foods and tobacco group. The Common Fund is

believed to have more than \$100m invested with one of the proposed takeover bids for the group.
Ten days ago, the third larg-

est private-sector investing institution in the US, the Met-ropolitan Life insurance company, sued RJR's management for launching their proposal to buy out public stockholders in

a leveraged buy-out.
About two-thirds of the US stock market is owned by pro-fessional institutions, includfessional institutions, includ-ing state and private sector

pension funds, insurance companies and mutual funds. Mr Lee Smith, a Cuomo eco-nomic adviser and director of the new task force, said the Common Fund had \$1.1bn invested in special funds designed to provide equity cap-ital for managements to buy out their companies. He said the bulk of the investment was with Kohlberg Kravis Roberts, one of the Wall Street bidders

The other two funds were not invested in leveraged buy-out funds, he added. Comptroller Edward Regan, the trustee of the fund which provides pension for all state employees except teachers, did not comment on the call for a moratorium but said the "idea of looking into the investment of pension funds in LBOs is certainly interesting."

for RJR.

American joins Air NZ bidding

By Michael Donne, Aerospace Correspondent

AMERICAN Airlines, owned by AMR Corporation of the US, and Japan Air Lines, one of the biggest airlines in the Far East, have joined the consortium of Brierley Investments (RIL) and antas of Australia in bidding for Air New Zealand

for Air New Zealand.

Air NZ has been offered for sale by the New Zealand Government. It has stipulated that 65 per cent of the airline should remain in New Zealand hands, and only 36 per cent with foreign organisations.

The prospective privatestical The prospective privatisation is part of the Government's plan to liquidate assets to pay

BIL, which is the main

off foreign debts.

ald Brierley, the New Zealand financier, and Qantas amounced their plan to bid for ANZ last week.

They were quickly followed by another consortium com-prising British Airways, DFC New Zealand, an investment bank now owned by National Provident Fund of New Zealand, and EIE Development, a Japanese investment company

specialising in tourism.

BIL and Qantas said yester-day that American and JAL were each seeking up to 7.5 per cent of Air NZ, and Qantas 19.9 per cent, so the New Zealand Government's rule that only 35 per cent should end up in for-eign hands would be adhered

to. BIL has also said that it would hold only 35 per cent of the Air NZ shares, and that the remainder would go to the pub-lic and airline staff in New Zea-

Neither of the two groups has given financial details of their offers. JAL is already linked with Qantas in a new computer reservations group called Fantasia. JAL said it boped to

strengthen its operations throughout the Pacific islands region as a result of the pro-spective link with Air NZ. The New Zealand Government is expected to decide on the matter before the end of

Reebok in further warning of decline

REEBOK International, the US sports shoes group in which Pentland Industries of the UK has a 32 per cent stake, yester-day issued a further warning of a decline in full-year earnings, Our Financial Staff

The group, which has been suffering from depressed mar-gins in a highly competitive market, expects net income for

1988 to be between \$1.15 and \$1.20 a share, down from \$1.49 a share last year, largely because two divisions are not performing to plan. The latest forecast for full-

year earnings is about 25 cents lower than the prediction it made in September. Mr Paul Fireman, Reebok's chairman and chief executive, said: "Sales of Reebok brand

will meet the expected growth rate of 15 per cent for 1988. Sales at the Rockport and Avia divisions are above prior year levels, but they are substan-tially below plan, as are their

"This is the principal reason for net income being below the \$1.40 to \$1.45 range anticipated in September."

US thrifts face tough rules on capital

By Anatole Kaletsky

IN A new move to gain control over the growing crisis in the US mortgage banking indus-try, the Federal Home Loan Bank Board has proposed dou-bling the capital requirements for savings and loan institu-

tions. The board also said it would seek unprecedented emergency powers to oust management from still-solvent institutions

from still-solvent institutions if these were deemed to be "unsafe and unsound."

The proposals, presented at a meeting of the board in Washington on Monday night, would introduce to the thrift industry risk-adjusted capital requirements similar to those recently imposed on the banking industry as part of the international process co-ordinated by the Bank for International Settlements.

Under the plan, each thrift's capital would have to be increased to 8 per cent of risk-adjusted assets by a deadline which has not yet been fixed.

Thrifts are supposed to maintain capital equivalent to 3 per cent of assets acquired before 1987 plus 6 per cent of assets acquired since then.

assets acquired since then.

In addition to raising capital requirements, the proposals would also for the first time take account of the varying

risks of thrift assets.
Capital requirements would be increased for assets subject to interest-rate risk, such as fixed-rate loans funded by floating-rate deposits.

Home mortgages would have to be backed by only helf is much capital as commercial.

much capital as commercial mortgages. But equity invest-ments in real estate would require three times as much capital as commercial loans. While the new capital rules

would be at best a long-term response to the industry's problems, the FHLBB is also to ek new powers to deal with hadly-managed institutions. The board has the right to replace managers and force mergers or closures at insol-vent institutions, but it wants to extend these powers to "unsafe and unsound" thrifts, defined as institutions where capital falls below 1.5 per cent of total assets.

the same of the same of the same

Nissan steers bold course in Europe

Kevin Done on the Japanese car maker's determination to lift sales

issan, the Japanese automotive group, is aiming to increase its car and commercial vehicle sales in West Europe by about 20 per cent during the next five years. The group is the leading Japanese car maker in Europe. This year it expects to sell 398,000 cars, compared with 389,000 units in 1987, taking its share of the West European car market to about 3 per cent, and 104,000 commercial vehicles.

Nissan is also planning to establish a new European headquarters to co-ordinate its European sales and marketing operations, help establish a common brand image throughout Europe and strengthen the sales and service network, Mr Ian Gibson, deputy managing director of Missan Motor Mannfacturing (UK), said yesterday.
More than half of Nissan's
projected European vehicle
sales of 600,000 units in the
early 1993 would be sourced
from its ITK and Counted. from its UK and Spanish man-ufacturing plants, he said. Increased European sourcing would help shield the company from the impact of a further

yen appreciation.

Nissan is the most multinational of the Japanese automo-tive groups and is the only Jap-anese vehicle maker to have established a substantial manufacturing presence in West Europe. It has car assembly plants in the UK and commercial vehicle manufacturing in

Spain.

Mr Gibson said Nissan was seeking to establish a "fully integrated motor vehicle operation in Europe" with design, manufacturing, sales and ser-

Sales and marketing were

currently undertaken by a series of largely unco-ordinated national importers and distributors in Europe.

The company wanted to establish one sales and marketing base in Europe, however, with the transfer to Europe of functions now being carried Nissan was aiming to achieve much of its future

European sales growth in the car markets of southern Europe, Italy, France, Spain and Portugal, which have been closed or severely restricted to direct Japanese imports. In 1982 it would begin manu-

facturing in the UK its second model line, a Micra-class supermini, selected specifically to enable it to attack the predominantly small car southern Rummeso market from a man-



ian Cibson: seeking a fully lat gratuilly propose operation

Mr Giben said the location for Nissen-Motor Sales Europe had not yet been decided. Although the group was con-sidering sites in Amsterdam, els and London, Amste dam was the most likely loca-

The co-ordination of the separate national sales operations should be achieved by the

early 1990s. Nissan has already located its European motor parts cen-tre in Amsterdam, where it claims to have the "most tech-

five parts operation in Europe," following the comple-tion in July of an automated stack building.

As it builds up its European manufacturing base, the group is devoting increasing resources to its European after-sales and service func-

t maintains it is able to deliver service parts to customers in virtually the same time as indigenous Euro-pean motor manufacturers, and it is working on establish-ing by 1990 a 24-hour emergency service system in 20 countries throughout Europe.

After several troubled years, Nissan's Spanish-based com-mercial vehicle operations

have staged a strong recovery. Production is expected to exceed 70,000 units this year, a 32 per cent jump following an increase of 26 per cent in 1987, when output totalled 53,000

Pre-tax profits are expected to more than triple from Pta2.34bn (\$20.6m) in 1987 and a loss of Pta8.5bn in 1986.

NMUK, the UK car manufacturing expectation is not avecage. turing operation, is not expec-ted to achieve a net profit until 1993, when it will achieve full production of about 200,000

Himont income surges 64%

HIMONT, the polypropylene subsidiary of Italy's Ferruzzi-Montedison group, yesterday reported a 64 per cent jump in net profit for the year to Octo-ber 31.

The company lifted the fig-ure to \$372.9m, compared with \$226.9m last year, on total sales of \$1.71bn, up 46 per cent on the previous year's \$1.17bn. Himont, which is quoted on the New York Stock Exchange, is 82 per cent owned by Mon-

It was formed originally as a joint venture between Montedison and Hercules and is the world leader in polypropylane production, claiming a 20 per cent share of the international

Himont said its operating profits for the year ross by 69 per cent to \$525,6m. Mr Alexander Giacco, the Himont chairman who was

appointed earlier this year as chief executive of Montedison, said in Milan yesterday that he was planning investments of \$1.50n between now and 1992 which could generate revenues of more than \$4bn.

Mr Giacco was at pains yes-terday to praise Mr Mario Schimberni, the former Montedison chairman who was ousted a year ago by Mr Raul Gardini, the head of the Ferruzzi group which controls Montedison. Mr Schimberni bought con-

troi of Himont during 1987.

• Mr Enrico Randone, chairman of Italy's Assicurazioni Generali, said yesterday he remained interested in France's Compagnie du Midi and in possibly "transforming it into a grand insurance enterprise with a grand interna-tional vocation."

Mr Randone said that Gener-

rently owns 16 per cent of Midi (together with Mediobanca and Lazard Frères), but that for the moment Generali was waiting to see how the dispute between Mr Bernard Pagezy, chairman of Midi, and Mr Claude Bebear, chairman of Axa (with 28.6 per cent of Midi) shapes up.

ali, Italy's leading insurer, cur-

It will only be after Generali sees how the battle between the leaders of Midi and Azz is resolved that Mr Randone will

Mr Randone also described as "fantasy finance" the specu-lation swirling about the Milan bourse which would have either Japanese investors buying up shares in Generali or a move hy existing share-holders, such as Mediobanca and Lazard Freres, acting increase their

Investcorp arranges sale of boat companies By Our Financial Staff

TWO SPECIALIST power boat companies have changed hands as a result of deals arranged by Investcorp, the Bahrain-based bank which invests in leading North American and European hrand

Investcorp, which had become involved as part of ear-lier management buy-outs, did not disclose a price on the dis-

posals. The Miami-based Bertram-Trojan, the larger of the two companies with \$127m revecompanies with \$127m revenues, has been bought by an investor group led hy G.L. Ohlstrom & Co of New York, Cantieri Riva, the Sarnicoheadquartered maker of inxury speedboats and motor yachts, has been acquired by Schroder Waser.



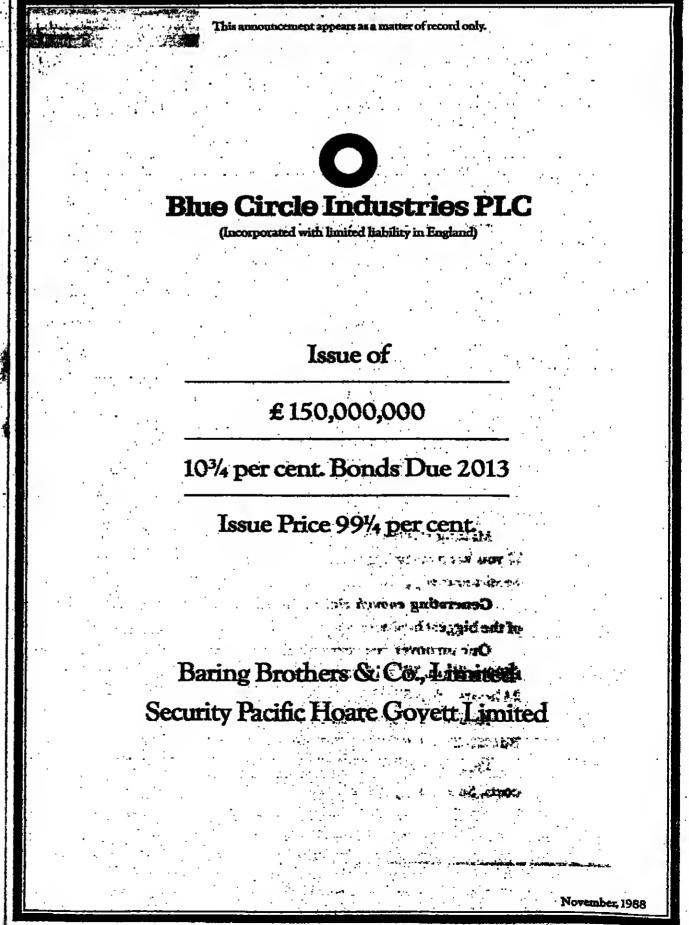
are senior executives/self-employed Why do they read Handelsblatt? Because it features the best of business and financial news.

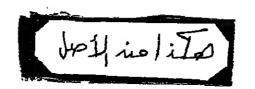
Not only from Germany but from all over the world. And nothing else. There's not even a crossword to break the pattern. But when it comes to business, it can't be beaten for depth of coverage. Handelsblatt is Germany's only national business and financial daily paper It's become required reading for top businessmen and those who advise them.

Required too for advertising by a host of "blue chip" international companies. In mono and in colour.

_		

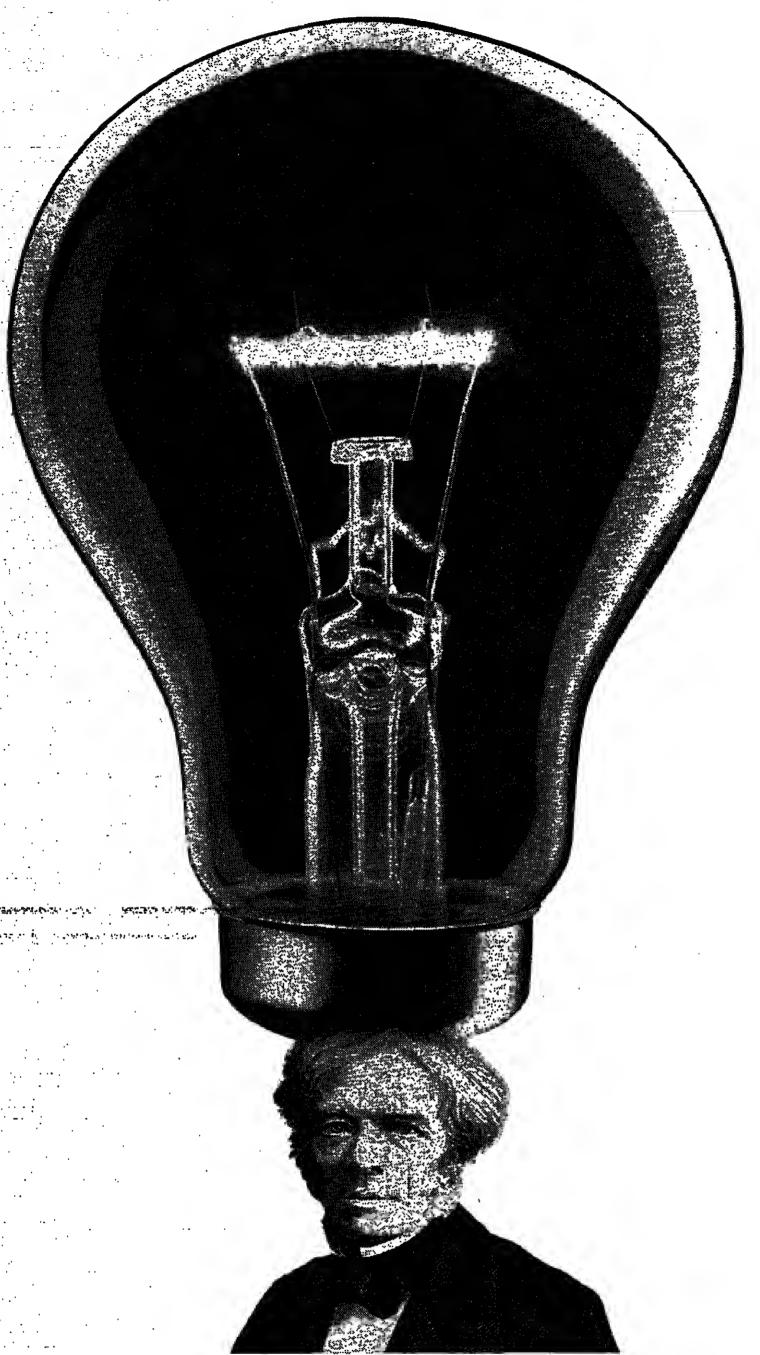






THANKS AT TIMES WEINNESDAY MOVEMBED 20 1000

Tanges 5#1



Mr. Faraday's idea was bigger than he knew.

Making electricity is simple, as Michael Faraday taught us in 1831.

If you keep spinning a copper disc inside a magnet, you'll generate a continuous supply.

Generating enough electricity, on the other hand, has created one of the biggest businesses in Britain, with assets of around £25 billion.

Our turnover last year was more than £8 billion, our trading profit £590 million. We still use magnets and copper. But on a massive scale, 24 hours a day, 365 days a year.

And we use good old steam power to turn most of our turbines. But to get up a sufficient head of steam we need a massive fuel supply.

Our annual fuel bill is over £4 billion, more than half our total costs. So keeping fuel costs down is clearly essential for our business.

And for the nation's business. Just about everyone in England and Wales uses our electricity. We have to generate as much as is needed, at as low a price as possible.

So we use many different fuels; fossil and nuclear.

And we'll continue to seek new sources of power: to harness the wind and the tides and the heat beneath the earth's surface.

Our efforts are needed not only to keep prices down, but to satisfy a widely fluctuating demand, day and night, summer and winter; through storms and strikes and other acts of God or man.

That's the generating game: high stakes, tough rules and plenty of challenges. But it's a game we have to go on winning.

By using our magnets, like Mr Faraday said.

THE GENERATING GAME

CEGB National Power. PowerGen.

W German

bank hit

by higher

By Andrew Fisher

COMMERZBANK, the third

largest of West Germany's commercial banks, yesterday

reported a drop in earnings in the first 10 months as a result

of higher staff and equipment costs. However, the company

said it would maintain its divi-

dend and also channel more money to its reserves out of

At group level, partial operating profits were down by 7.6 per cent to DMS46m (\$489m). But full operating profits, for which no figure was given, were 2 per cent higher for the group and 9.1 per cent higher for the parent bank. The comparisons are with ten-twelfths

parisons are with ten-twelfths of the full year's results for

Mr Waiter Seipp, charman, said the results should be viewed in a positive light, when considering the scepticism with which the year had begun. He expected a "satisfactory" result for the full year. However, he commented: "The cost side is causing us con-

cost side is causing us con-

Reflecting staff increases

and higher capital spending to match the pace of develop-ments in domestic and interna-

tional banking, partial operating profits of the parent fell by
6.5 per cent to DM532m,
Nat interest and dividend income showed a 5.7 per cent

gain, in spite of pressure on interest margins. But commis-

sion income slipped by 0.9 per cent, with weaker earnings on securities business after last

year's stock market crash not quite offset by the effect of a higher volume of foreign trade

mr Seipp expected the cost increases to be less steep in 1989 after this year's push. "This should have a positive effect on partial operating profits." As for the 1988 dividend, he said the bank would be able to maintain this at DM9 a shore.

Commenting on the run-up to the unified European mar-

ket in goods and services after

1992 and the discussion over

how far German banks should go in providing a full range of financial services, including

costs

in Frankfurt

1988 profits.

US \$50,000,000



Genossenschaftliche Zentralbank Aktiengesellschaft

Vienna

Floating Rate

Subordinated Notes Due 1996 Interest Rate

Interest Period

95/8% per annum 30th November 1988 31st May 1989

Interest Amount per U.S. \$5,000 Note due 31st May 1989

U.S. \$243.30

Credit Suisse First Boston Limited Agent Bank

J.P. Morgan & Co. Incorporated

DM 400,000,000

Floating Rate Subordinated Notes of 1985/1995 -Stock Index No. 476 966 -

In accordance with § 2 65 of the Terms and Conditions of the Notes, notice is hereby given that the Rate of Interest has been fixed at 5%% p. a. for the Interest Period Bovennber 30th, 1988 to February 28th, 1989 (90 days). Interest accord for this Interest Period and payable on February 28th, 1989 will about to DM 134.38 per DM 10,000 Note and DM 3.39.38 per DM 250,000 Note.

November 1988

J.P. Morgan GmbH

US\$250,000,000

Régie des installations olympiques

Floating Rate lotes Due November 1994



Unconditionally guaranteed by **Province de Québec**

Interest Rate Interest Period

9½% per annum 30th November 1988 28th February 1989

Transfer to the same

Interest Amount per U.S. \$50,000 Note due 28th February 1989

U.S. \$1,187.50

Credit Susse First Boston Limited Agent Bank

U.S. \$50,000,000

OSTERREICH!SCHE LANDERBANK

Floating Rate Subordinated Notes Due 1994

Interest Rate

93/4% per annum

30th November 1988 Interest Period 31st May 1989

Interest Amount per U.S. \$5,000 Note due

U.S. \$246.46 31st May 1989

Credit Suisse First Boston Limited Agent Bank

£85,000,000



Floating Rate Notes Due 1991

Interest Rate

131/4% per annum

Interest Period

28th November 1988 28th February 1989

Interest Amount per £5,000 Note due 28th February 1989

Credit Suisse First Boston Limited Agent Bank

CITICORPO U.S. \$500,000,000 Subordinated Floating Rate Notes Due May 29, 1998

Notice is hereby given that the Rate of Interest has been fixed at 9.625% and that the interest payable on the relevant Interest Payment Date February 28, 1989 against Coupon No. 11 in respect of US\$10,000 nominal of the Notes will be US\$240.63 and at respect of US\$250,000 nominal of the Notes will be US\$6,015.63.

November 30, 1988, London By: Citibank, N.A. (CSSI Dept.), Agent Bank CITIBANCO

CITICORPO

U.S. \$350,000,000 Subordinated Floating Rate Notes Due November 27, 2035 Notice is hereby given that the Rate of Interest has been fixed at 8.85% in respect of the Original Notes and 8.9375% in respect of the Enhancement Notes, and that the interest payable on the relevant Interest Payment Date December 30, 1988 against Coupan No. 37 in respect of US\$10,000 nominal of the Notes will be US\$73.75 in respect of the Original Notes and US\$74.48 in respect of the Enhancement Notes.

November 30, 1988, London By: Cribank, N.A. (CSSI Dept.), Agent Bank CITIBANCO

Bank of Tokyo (Curação) Holding N.V. £30,000,000

Guaranteed Floating Rate Notes Due 1990 unconditionally guaranteed by

The Bank of Tokyo, Ltd.

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the three months period 28th November, 1988 to 28th February, 1989, has been fixed at 13½ per cent. per annum. Coupon No. 21 will therefore be payable on 28th February, 1989 at £1,669.86 per coupon from Notes of £50,000 nominal and £166.99 per coupon from Notes of £5,000 nominal.

S.G. Warburg & Co. Ltd.

U.S. \$100,000,000

First Bank System, Inc.

Floating Rate Subordinated Capital Notes Due 1997

Interest Rate

95/8% per annum

Interest Period

30th November 1988 28th February 1989

nterest Amount per U.S. \$50,000 Note due 28th February 1989

U.S. \$1,203.13

Credit Suisse First Boston Limited Agent Bank

U.S. \$50,000,000

First Boston, Inc.

Floating Rate Subordinated Notes Due 1994

Interest Rate Interest Period 95/8% per annum 30th November 1988 31st May 1989

Interest Amount per U.S. \$50,000 Note due

31st May 1989 U.S. \$2,432.99 Credit Suisse First Boston Limited

US. \$125,000,000

CARTERET

Collateralized Floating Rate Notes Due 1994

Interest Rate

95/8% per annum 30th November 1988

31st May 1989

Interest Period Interest Amount per

U.S. \$50,000 Note due U.S. \$2,432.99

31st May 1989

Credit Suisse First Boston Limited Agent Bank

US. \$125,000,000



BANK OF BOSTON CORPORATION

Floating Rate Subordinated Notes Due 1998 Issued 26th August 1986

Interest Rate Interest Period 9.55% per annum 30th November 1988 28th February 1989

Interest Amount per

U.S. \$50,000 Note due

28th February 1989

U.S. \$1,193.75 Credit Suisse First Boston Limited Agent Bank

Can. \$75,000,000 **Province of New Brunswick** Floating Rate Notes due May 1994

due May 1994

Notice is hereby given that in respect of the interest Period from November 30, 1988 to February 28, 1989, the Notes will carry an interest Rate of 114% per annum. The amounts payable on February 28, 1989, against Cupon No, 19 will be Can. \$27.65 for Bearer Notes of Can. \$10,000 principal amount and Can. \$7.66 for Bearer Notes of Can. \$1,000 principal amount. Can. \$27.66 will be payable on each Can. \$1,000 principal amount of a Registered Note.

By The Place Maded to Rate Mark Market Payable on the Can. \$1,000 principal amount of a Registered Note. By: The Chase Manhattan Bank, N.A.

London, Agent Sant

November 30, 1988

U.S. \$500,000,000 Lloyds Bank Plc (incorporated in England

Primary Capital Undated Floating Rate Notes (Series 2) For the three months November 30, 1988 to February 28, 1989 the Notes will carry an interest rate of 8.6875% p.a. with a Coupon Amount of U.S. \$242.19 payable on February 28, 1989 By: The Chase Haphetten Book, N.A. London, Agent Bank

CITICORP 1

0

Subordinated Floating Rate Notes Dua January 30, 1998 Notice is hereby given that the Rate of Interest has been fixed at 8.825% and that the interest payable on the relevant interest Payment Date December 30, 1988 against Coupon No. 35 in respect of US\$10,000 nominal of the Notes will be US\$73.54. November 30, 1988, London By: Cribank, N.A. (CSSI Dept.), Agent Bank CITIBANCO

INTERNATIONAL COMPANIES AND FINANCE

Elders to buy out minority shareholders in HK unit

MR JOHN Elliott, who controls the Elders empire, yesterday became the second Australian entrepreneur within a month to announce that he is to buy out his minority shareholders in a Hong Kong company.

Elders IXL is offering US\$3.30 for each share of the 25 per cent of shares it does not own in Hong Kong-listed Elders Investments. The stock was floated in October last year, coinciding with the world

markets crash, at US\$3.30. Yesterday's offer is equiva-lent to HK\$25.74, about 50 per cent higher than the closing price of HK\$17.40 before trading was suspended yesterday.
Shareholders will have an option of receiving payment in Hong Kong dollars or Australian dollars instead of in US

Last month, Mr Alan Bond announced plans for his Bond

buy out the 33.8 per cent minority of Hong Kong-quoted Bond Corporation International it doss

There have been similar recent buy-out moves by Hong Kong companies at a time when the colony's depressed stock market is pricing shares well below net asset value. They include Sun Hung Kai Properties, which announced its intention on Monday to buy out the 43 per cent minority in

Naw Town Properties.
Yesterday SHK said it would offer HK\$6.30 in cash, or a one new SHK share of HK\$0.50 (issued at a price of HK\$11.66 per share) plus HK\$0.94 in In the current state of the

Hong Kong market, neither Mr Elliott nor Mr Bond have found their flotation in the colony

Corporation of Australia to worth continuing. Elders has not used its company to make any investments in Hong Kong, although Mr Elliott said yesterday that "Elders remains committed to Hong Kong as the centre of its activity in

Bankers and brokers in Hong Kong say that the buy-outs do not reflect hadly on the colony's ambition to be recog-nised as an international finan-cial centre because neither Mr Bond nor Mr Elliott had long-term investment inten-

Whilst the outlook for Elders investments remains promising, the shares have traded at a discount to net traded at a discount to net asset backing since the crash of October 1987. In current market conditions this position appears likely to continue for the foreseeable future," Mr Ell-iott said last night.

indicate a change of mind on the benefits of this merger."

The idea was to see what price could be obtained because

RHM, although our preferred option, is not the only opportu-

nity in Europe." Mr Duncan McDonald, man-

aging director, confirmed in his address the group's deter-

mination to become more international through invest-ments that matched its core

Menaba, the Dutch-based flour miller and baker acquired

this year, had an annual turn-over of A\$500m "and provides us with a very useful beach-

head in continental Europe," he said. Small acquisitions would be made to take advan-

'interested in RHM' Goodman

burden, and meant the bid
"technically lapsed," as Mr
Goodman put it yesterday.
According to Mr Goodman,
sufficiently attractive prices
were not offered for the hold-

ing because prospective pur-chasers were not interested in RHM's milling and baking

operations, which comprise 40 per cent of its business.

Mr Goodman said: "Ironi-cally not only is this one of our important core businesses, but

one on which we seek to build a truly international business in milling and baking." The group was therefore, "evaluating proposals which . . . might provide a more favourable out-

Mr Goodman emphasised

By Chria Sherwell in Sydney

GOODMAN Fielder Wattie, the Anstralasian food giant, remains interested in the milling and baking operations of RHM, the British foods com-pany for which it launched an abortive £1.6bn (\$2.9bn) bid

certier this year.

The interest was expressed by Mr Pat Goodman, chairman, when he addressed the group's annual meeting yesterday. He also said that the group would take as long as it felt appropriate to solve the difficulty of its

Gat per cent shareholding in the IVK company.
Goodman Fielder Wattle decided to offer its holding for sale when the bid was referred to the Monopolies and Mergers Commission. The referral sprang from questions about the merged group's likely debt

Degussa sales rise by 16%

By Our Financial Staff DEGUSSA, the West German

chemicals and precious metals group, said yesterday its group sales rose 16 per cent to DMIS 6bn (\$7.84bn) in the year ended September 30, from DM11.7bn-in fiscal-1987. In an interim report Deguss

said its earnings were highly satisfactory in fiscal 1988.

Degussa said that excluding the value of precious metals from its sales, total group turnfrom its sales, total group turnover rose 34 per cant in the
year. Of that rise, 25 percentage points were attributable to
the first-time inclusion of the
turnover generated by pharmaceutical company Laboratoires
Sarget and high-tech group
Leybold-Heraeus GmbH, both
acquired in 1987.

tage of market opportunities in Europe, he indicated. that the decision to offer the shareholding for sale did not Sodexho lifts earnings

By George Graham in Paris

SODEXHO, the French catering services group, has increased net profits in the year ended Angust 31 to FF111.6m (\$18.85m), with sales up 24 per cent to FFr7.1bn. The group, which specialises in contract catering for companies, schools, hospitals and municipalities, has been devel-

oping its use of new food technologies such as vacuum cook ing and deep frozen products. Next year, it will more than double the quantity of dishes bought in from outside suppli-

ers to 10 per cent of the total number of portions it serves. Mr Pierre Bellon, Sodexho's chairman and controlling shareholder, said he was still in favour of an alliance with another group to aim for world

in-house services were able artificially to reduce their tender prices.

leadership in the catering areas.
"So far, my incantations have not been answered," he said, noting that the major UK

catering groups had let him know that they were not for sale.

Sotisthe has, however, male its way into the UK market by another entry, winning a conjuract for catering services at a Scottish public hospital: Mr Bellon said the privatisation of hospital services in the UK had not hear a species.

Almost all of the private sec-tor contractors which had won NHS hospital tenders were los-ing money on them, he said.

not been a success, since

insurance, Mr Seipp said Commerzbank's preferred method was through co-operation. He added, "however, 'this could be reinforced through financial links where necessary — hinting that a domestic deal was in the offing. Deutsche Babcock, the West Command Comments of the German engineering company. said yesterday sales rose 6.7 per cent in the year ended Sep-tember 30 to DM5.2bn (\$3.04bn) from DM4.83bn.

It did not give net earnings figures, but had said in August it expected group net to be roughly unchanged at DM45m.

Aker may face bourse suspension over Saga deal

By Karen Fossil in Oslo

AKER, the large Norwegian industrial company, could face penalties and/or possible suspension from the Oslo bourse for failing to report the purchase option agreed for the sale of its 20 per cent stake in Saga Petroleum to Total Marine Norsk, the Norwegian subsidiary of Paris-based Total-CFP.

According to Oslo bourse trading laws, share sales trans-actions undertaken must be

reported on the day on which they occur or when a contract is signed. Aker and Total entered into a so-called purchase option agreement on October 28, whereby Total agreed to pay NKr3.35m (\$514,900) to Aker by October 30 for the right to pur-chase its 20 per cent stake in Saga. Aker, however, failed to report the transaction to the

bonrse until November 22,

more than three weeks later. At the time the transaction was made bourse officials sought to obtain a copy of the purchase option agreement from Aker. Aker, however, declined to submit a copy of

Last week Total announced that it had agreed to purchase for NKr620m Aker's 20 per cent stake in Saga and for NKr320m the Den norske Creditbank (DnC) 10 per cent stake in aga.
The deal, however, foundered on Friday when Saga's board refused to amend the company's by-laws to increase

company's by-laws to increase foreign ownership.

Bergesen, Norway's leading bulk shipowner, says it has acquired shares and warrants representing more than 50 per cent of Bulk Transport, the Bermuda-registered cruda oil tanker owner, for \$70m.



JUGOBANKA United Bank U.S. \$50,000,000

Floating Rate Notes due 1989 For the six months to 31st May 1989 the Notes will carry an interest rate of 103/8% per annum. Coupon values will be: \$1,000 Note: \$\$2.45 \$10,000 Note: \$\$24.51 Barclays Bank PLC, London Agent Bank

The Chase Manhattan Corporation U.S. \$175,000,000 Floating Rate Subordinated Notes due 1997 Notice is hereby given that the Rate of Interest has been fixed at 9.75% and that the interest payable on the relevant Interest Payment

Date February 28, 1989 against Coupon No. 13 in respect of US\$10,000 nominal of the Notes will be US\$243.75. November 30, 1988, London By. Citibank, N.A. (CSSI Dept.), Agent Bank CITIBANCE

TSB Hill Samuel Bank Holding Company pic (formerly Hill Samuel

US\$75,000,000 Perpetual Floating Rate Notes

In accordance with the provisions of the Notes, notice is hereby given that for the Interest period from 30th Notes will party a rate of interest of 94 % per tennum and the interest pay-able on the relevant interest Payment. Agent Benk; Morgan Governey Treet Company of New York

TRIPS LIMITED Series A U.S.523,000,000 Secured Floating Rate Notes due 1992

Floating Rate Notes due 2005

By: The Chase Hankelian Bank, N.A. Lowlen, Agent Bank 0 November 30, 1988 CHART



LUF 300,000,000 PRIVATE PLACEMENT

Bergen, Nortony

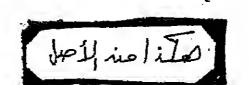
Arranged and snapped by

PKBANKEN INTERNATIONAL (LUXEMBOURG) S.A.

KREDIETBANK S.A. LUXEMBOURGEOISE

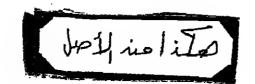
BANQUE GENERALE DU LUXEMBOURG S.A.
BANQUE INTERNATIONALE A LUXEMBOURG S.A. BANQUE PARIBAS (LUXEMBOURG) S.A. BANQUE UCL S.A. CREDIT EUROPEEN S.A. CHRISTIANIA BANK LUXEMBOURG S.A.

PKBANKEN INTERNATIONAL (LUXEMBOURG) S.A. Principal paying agent KREDIETBANK S.A. LUXEMBOURGEOISE



U.S. \$500,000,000 The Republic of Italy

in accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from November 30, 1988, to from November 30, 1988, to December 30, 1988, the Notes will carry an interest rate of 874x% per annum. The interest payable on the relevant interest payment date, December 30, 1988, will be U.S. \$73.44 per U.S. \$10,000 nominal amount in Bearer (Coupon No. 40) or Registered form and U.S. \$1,835.94 per U.S. \$250,000 denomination in Bearer form (Coupon No. 40).



INTERNATIONAL COMPANIES AND FINANCE

The AMP takes international route

Chris Sherwell looks at the fresh strategy of a venerable institution

papers and hrewing companies before them, UK insurance groups are witnessing the arrival of a new Australian force on the local scene. It takes the form of the Australian Mutual Provident Society, known as the AMP.

NCE

German

Ak hit

higher

The state of the s

3000 S 2 &

- 33

1.1

OF SEXUE

en finguiste

Contractor Carlo Marie

-जा। धा

(Hilly Fall

() M) M

11

For the bankers, accountants, lawyers and other pro-fessionals insured with London Life Assurance, the mutual life assurer, the discovery of the AMP has been rather abrupt and first hand. Their company, after some controversy, has agreed to merge with the Australian colossus, and hopes to

win approval for the merger plan at a high court hearing in London next Monday.

This week the AMP named new top management for the UK operation, aiming to co-or-dinate its existing activities with those of London Life, which it plans to develop as a leader in financial services. AMP says the merger is merely the first step in a wider

international expansion, and just one feature of a range of changes already under way. As it is, the AMP, one of Australia's most venerable institutions, already dominates its environment. It enjoys a 30 per cent share of the AS5bn (US\$4.37bn) a year Australian fife assurance market, it has the country's largest portfolio of property and owns substan-tial chunks of the equity base of Australia's best-known companies. Surveys show practically all Anstralians have heard of the AMP, and more

insurance company over its competitors. That does not mean it faces no competition. The life assurance market and the increasingly important pensions market are showing a growth trend of 16 per cent a year, and some 45 companies and five different state government insurance offices are battling for business among Australia's 16m popula-

than half are aware of it as an

The AMP's biggest rival is the National Mntual, which has an estimated 22 per cent market share and is constantly seeking to narrow the gap. Competition among all participants manifests itself in high.

Konica boosts

in first half

By Michlyo Nakamoto

KONICA, the Japanese maker

half to October, as sales rose 3.3 per cent to Y174.38bn (\$1.43bn).

operating profit by 71.4 per cent as a result of efforts to cut

costs, which were unusually high last year due to a change in corporate name from Koni-

shiroku Photo Industries. Brisk sales of facsimile machines, films, cameras and

other optical instruments were

described as main factors condescribed as main factors contributing to the performance.

The company forecasts sales growth of 6.3 per cent for the entire year to Y350bn and an

Collegeralized Floating Rate Notes due 1993

Konica was able to raise its

pre-tax 39%

in Tokyo

commissions to salesmen and sensational incidents of agent poaching, rather than the bonuses or other special features they offer prospective policy holders.

Earlier this year, the AMP'a image as a shrewd investor received something of a knock from left was better the policy took. commissions to salesmen and

from last year's stock market crash, when it revealed an embarrassing drop in the value of its shareholdings of A\$40n. But it was hardly alone in such an experience, and says now that it has since recouped most of that through the booming Australian property market Australian property market. The AMP has also tried to become involved in local bank-ing. It linked up with Chase Manhattan, one of the newly

arrived foreign banks, to form Chase AMP, but faces hot competition from the Big Four NATIONAL Mutual Royal Bank, the Australian bank jointly owned by Royal Bank of Canada and National Mutual Life Association, lifted net profits for the year to September by 38.2 per cent to A\$9.4m, AP-DJ reports from

After an extraordinary gain domestic banks. Interestingly, the local banks' attempts to move into insurance have also

had a mixed reception.

The big question for the AMP in recent times has been where to head next. It has an embarrassment of options. It could have developed its Aus-tralian and New Zealand market, striving for a 40 per cent share; further diversified its interests out of insurance into banking or industry; or sought broader opportunities abroad.

Last year, the strategic decision was made to expand inter-nationally, concentrating on life assurance and treating investment as a global busi-ness. Although it means "sticking to the knitting," it is still ticklish, inasmuch as present policyholders could ask whether their bonuses would not increase more if the AMP simply expanded in the mar-

The AMP's answer is that the scope for growth at home is not that great and certainly increasingly difficult as the

Dainippon :

competition intensifies. It also insists that internationalisa-tion will not be at the expense

of its home base.

The AMP's most intriguing target under this strategy is to have more than half its business offshore within five years. Currently, it has some A\$27bn of funds under its manage-ment, of which a fifth comes from existing operations

It does not take a mathematical genius to work out that, by 1993 or so, the AMP wants its asset base to approach A\$60bn through an approximate six-fold increase in the size of its offshore husiness. On that basis, the merger with London Life, while adding some A34bn to the figure, looks relatively small beer.

This does not mean the UK of A\$6.5m the attributabla

profit was A\$15.9m, up from A\$6.8m. Mr Bill Gurry, managing director, said: "The result co solidates National Mutual Royal Bank's position in the marketplace and clearly estab-lishes the financial and operational viability of our group."

acquisition will necessarily be swamped. On the contrary, Mr Ian Salmon, the AMP's chief general manager international, calls the merger "pioneering" because the AMP, whose name is less well known in the UK than London Life's, is seeking to preserve and capitalise on London Life's identity. But Mr Salmon plainly has higger fish to fry. He is under-

standably reluctant to talk about specific acquisition taror the amount of money the AMP is prepared to spend achieving its goal. But he freely confirms that the group is looking at Europe, the US and the Asian countries on the Pacific Rim, including Japan. The UK was obviously the easiest place to start because of

the similarities with Austraha's insurance scene. But there is another attraction. London is now attracting continental European groups, partly because of the impend-ing arrival of a single European market in 1992, but mainly because of the skills

Rate cuts hit Japanese

and expertise available in British insurance companies.
As Mr Salmon puts it: "This raises possibilities for us. as we have the same skill base and experience as the UK offices. As best as we can indge, we have excellent opportunities in Europe as it moves over the decade towards much greater maturity in life assurance

Mr Salmon does not minimise the problems of expanding by acquisition into such relativaly difficult markets as Europe and the US. South-east Asia, he acknowledges, is dif-ferent again, while Japan is a special case where it is not even clear when an outside might enter the market, le

alone how.
"We want to see how far we can go," he says simply. And the need for speed is greater than ever. "Things are changing rapidly, and some opportu-nities – in Europe, or Hong Kong - are only available for a limited time.

While embarking on its international road, the AMP has also implemented organisational changes, in effect creating four separate divisions: AMP Australia, AMP International, AMP Investments and AMP Corporate. Each is an operating business unit reporting ultimately to Mr Ian Stan-well, managing director, but the effect is to shift responsibil-

ity further down the line.
The reorganisation follows findings by a firm of consul-tants that the AMP was experiencing strains because of ambiguous job roles and over-lapping divisional responsibili-ties, a high organisational complexity with unsatisfactory accountability and control, and an autocratic tendency in its

ment style. These changes in structure, together with those in strategy, mean that 1988 will go down as the year the AMP implemented the most comprehensive and important changes to its man-agement organisation and day-to-day operations since it began business nearly 140 years ago in 1849. The success or otherwise of its emergence as an international force in insurance should take a much shorter period to determine.

SPECIAL OFFER

LEADING MANUFACTURER OF OFFICE FURNITURE HAS AVAILABLE FOR IMMEDIATE **DELIVERY LARGE QUANTITIES OF DESKS: STORAGE CABINETS:** OFFICE SCREENS AND EXECUTIVE FURNITURE - ALL FROM STANDARD **RANGES - AT SPECIAL LOW PRICES** FOR VOLUME ORDERS.

RING MANAGING DIRECTOR on 01 486 7988

BANQUE NATIONALE DE PARIS ECU 160.000,900 F.R.N. DUE 1996

Notice is hereby given that the interest rate for the period from November 30th, 1988 to February 28th, 1989 than been fixed at 8% per annum. The Interest payable on each ECU 10,000 Note on the relawant interest payment date February 28th, 1989 will be ECU 200,00. The Floral Agent Banque Nationale de Perle (Luxambourg) S.A.

SUMITOMO FORESTRY CO., LTD US\$ 20,000,000 3 7/8 per cent.

Consequently the bonds have ceased to be lieted on the Luxersbourg Stock Exchange.



ينك الكويت الوطني تعر The National Bank of Kuwaitsak

CHANGE OF ADDRESS PLEASE BE ADVISED THAT WITH EFFECT FROM MONDAY 5th DECEMBER, 1988

OUR DEALING ROOM & TREASURY OPERATIONS WILL RE-LOCATE AT

13 GEORGE STREET, LONDON W1H 5PB

DEALERS FX: 01-224 2828 Money Market: 01-224 2848 Treasury Services: 01-224 2868

TREASURY OPERATIONS Telephone: 01-224 2277 Telex: 892348 NBKLDN G Fax: 01-224 2101

Lavoro Bank Overseas N.V. with limited liability in the Netherlands Antilles ¥6,300,000,000

Floating Rate Guaranteed Notes due 1993

BANCA NAZIONALE DEL LAVORO (Incorporated as an Istituto di Credito di Diritto Pubblico in the Republic of Italy)

In accordance with the Terms and Conditions of the Notes, notice is hereby given that the Rate of Interest for the Interest Period from 29th November, 1988 to 29th May, 1989 being the first Interest Payment Date (all as defined in the Terms and Conditions), is 5.15% per annum. Interest payable on 30th May. 1989 will amount to ¥2,553,836, per ¥100,000,000 principal amount of the Notes.

Agent Bank
The Long-Term Credit Bank of Japan, Limited

Tokyo

Ente Nazionale per l'Energia Elettrica

Floating Rate Notes Due 2005

hereby given that the Rate of Interest has been fixed at 9.0125% for the Interest Determination Period 30th November, 1988 to 30th December, 1988. Interest accrued for this Determination Period and payable 31st May, 1989 will amount to U.S.\$75.10 per U.S.\$10,000 Note and U.S.\$1,877.60 per U.S.\$250,000 Note.

London

& Company U.S. \$150,000,000

Floating Rate Subordinated Notes due 1992

In accordance with the

30th December, 1988 the Notes will carry an Interest Rate of 8.85% per annum. Interest payable on the relevant interest payment date 30th December, 1988 will amount to US\$73·75 per US\$10,000 Note.

Agent Bank: Morgan Guaranty Trust Company of New York London

Wells Fargo & Company U.S. \$200,000,000

Floating Rate Subordinated Notes due 2000

interest payable on the relevant

interest payment date
30th December, 1988 will amount
to US\$73,96 per US\$10,000 Note
and US\$369.79 per US\$50,000
Note.

Agent Bank: Morgan Guaranty Trust Company of New York London

Park Tower Realty Corp.

A member of The Park Touter Group has purchased from and leased back to

IBM Corporation

Office buildings

Sacramento. CA

Pittsburgh, PA

Hamden, CT

Chartotte, NC

Columbus, OH

Norwalk, CA

First mortgage financing

structured and arrang

Swiss Bank Corporation

Real Estate Financing Oivision

sverne U.S. \$100,000,000

Floating Rate Participation Certificates Due 1992 issued by Morgan Guaranty GmbH for the purpose of making a loan to

Istituto per lo Sviluppo Economico dell'Italia Meridionale

fa standary body of the Republic of halomeory writed under Law No. 298 of April 11, 1933

In accordance with the terms and conditions of the Certificates, the rate of interest for the Interest Determination
Period 30th November, 1988 to 30th December, 1988 has been fixed at 912%. Interest accrued for the above period and payable on 31st Jamary, 1989 will amount to US\$79.17 per US\$10.000 Certificate.

Agent Morgan Guaranty Trust Company of New York London Branch

Notice to Warrantholders of Orient Leasing Co., Ltd. U.S.\$60,000,000 23/4 per cent. Guaranteed Bonds Due 1991 with Warrants

> U.S.\$50,000,000 3½ per cent. Bonds Due 1992 with Warrants

Notice is hereby given pursuant to Clause 4 (F) (iii) of the respective Instruments for the above-mentioned Warrants

It is scheduled that Orient Lessing Co., Ltd. will hold a shareholders inceting on 16th December, 1988 to resolve the change of its fiscal year. If resolved, is fiscal year will be changed from one year period from ist October to 30th September of the following year to one year period from 1st April, to 31st March of the following year, starting on 1st April, 1989, and therefore Orient Leasing Co., Ltd. will have one short fiscal year from 1st October, 1988 to 31st March,

Confirmation notice will be given after the above-mentioned shareholders meeting.

N.Z.L FINANCIAL SERVICES (UK) U.S.\$125,090,000

Floating Rate Notes due 1994

In accordance with the provisions of the Notes, notice is hereby given that for the Interest Period from 30th November, 1988 to 31st May, 1989 the Notes will carry a Rate of Inter-est of 91½% per annum and that the interest payable on the relevant Inter-est Payment Date, 31st May, 1989 will amount to US\$489.76 per US\$10,000 Note. Agent Bank: Morgan Generaty Trust Company of New York London

Notes Due 2010

FIRST BANK SYSTEM, INC.

Notice a bereby given that for the interest period from 30th November, 1988 to 28th February, 1989 the Notes will carry an interest rate of 9% per eat per annum and that the interest payble on the relevant Interest payble, and the February, 1989 will amount to US\$240.63 per US\$10.00 Note.

Apent Bank:

Agent Bank: Margan Guaranty Trust Company of New York London

U.S. \$125,000,000

European American Bancorp (Incorporated in the State of New York, U.S.A.)

Floating Rate Notes Due 1992

Notice is hereby given pursuant to the Terms and Conditions of the Notes that for the three months from 30th November 1988 to 28th February 1989 the Notes will carry an Interest rate of 9% 6% per annum. On 28th February 1989, interest of U.S.5239.07 will be due per U.S.\$10,000 Note for Coupon No. 13.

EBC Amro Bank Limited (Agent Bank)

30th November 1988

Bank of Tokyo (Curação) Holding N.V. GUARANTEED PLOATING RATE NOTES DUE 1997



Payment of the principal of, and incorrect on the Notes is unconditionally and irrevocably guaranted by The Bank of Tokyo, Ltd.

(Kabushid Kaisha Tokyo Ginko)
Bank of Tokyo (Curaçao) Holding NLV Agent Bark of Tokyo, Ltd. and Ceibank, NA. daned November 27, 1983, notice is torby given that the Rate of Interest has been fixed at 9.7% p.a. and that the notes payable on the relevant interest Payment Data, February 28, 1989, against Coupon No. 13 will be U.S. 5242-50.

November 30, 1989 (Annual Payment Data, February 28, 1989, against Coupon No. 13

CITIBANCO

November 30, 1988, London By: Ciribank, N.A. (CSSI Dept.), Agent Bank

Interest rate 955% p.a. Interest Paried November 30, 1969 to February 28, 1969 Interest Republic per U.S.25,000 Notes U.S.5594-98. the previous 10-month returns adjusted to an annual basis. November 30, 1965, Lawton By CITEANK, N.A. (CSSI Dept.), Agent Book **DFC Overseas Investments Limited**

> U.S. \$100,000,000 **Guaranteed Undated Primary Capital** Floating Rate Notes **Development Finance Corporation of**

Cayman Islands Branch

New Zealand dfc)

Notice is hereby given that the Rate of interest has been fixed at 9-75% p.s. and that the interest payable on the relevant interest Payment Date, May 31, 1989 against Coupon No. 6 in respect of U.S.\$10,000 nominal of the Notes will be U.S.\$492-92 and in respect of U.S.\$250,000 nominal of the Notes will be U.S.\$12,322-92. November 30, 1988, London By: Citibank, N.A. (CSSI Dept.), Agent Bank. CITIBANCO

KLEINWORT BENSON LONSDALE pic

US \$100 million **Primary Capital Undated Floating Rate Notes**

US \$125 million

Primary Capital Undated Floating Rate Notes (Series Two) For the interest period 30th November 1988 to 31st May 1989, all the above Notes will carry a Rate of Interest of 9% per cent. per annum with a Coupon Amount of US \$499.24.

> CHEMICAL BANK Agent Bank

increase in pre-tax profit of 22.4 per cent to Y14.5bn. CITY FEDERAL SAVINGS BANK - U.S.575,000,000

where sales rose 5 per cent.
Greater spending on
research and development,
however, resulted in a modest
increase of less than 3 per cent

in operating income.

DAINIPPON PRINTING, Japan's largest printing comof photosensitiva materials, lifted pre-tax profits 39.4 per cent to Y5.61bn for the first pany, has reported pre-tax profits of Y30.14bn (\$246.4m) for the first half-year ended

Exact comparisons were unavailable due to a change in the accounting term.

rise to Y30bn By Michiyo Nakamoto

Sales amounted to Y427.69hn, up 10.4 per cent. Growth was helped by the launch of magazines and increased pagination in exist-ing titles, which raised sales

Full-year pre-tax profits of Y874bn are forecast on sales of Y61bn, an effective increase on

Printing profits

September, equivalent to a 5.4 per cent increase over the first half of last year.

in the company's book and periodical printing division by 8.3 per cent. Increased printing work for detergent containers boosted tha company's carton box and special printing division, where sales rose 8 per cent.

power utilities' earnings By lan Rodger in Tokyo. JAPAN'S NINE electric power utilities all suffered profit

declines in the six months to September because of rate cuts posed by the Govern and, in all but two cases, declines in sales.

Tokyo Electric Power, the largest, said the fall in its revenue was not as great as forecast, thanks to higher than expected industrial demand. The stronger yen and a higher operating rate of nuclear power plants also helped the

company reduce costs. Kansai Electric Power, the company serving the Osaka and Kobe areas, said the rate reductions reduced its reve-nues by about Y52bn (\$425.1m), but a 4 per cent rise in power

sales nearly offset lost revenue.
Chubu Electric Power, based
in Nagoya, said electricity
sales grew 5.5 per cent in volume terms because of increased industrial demand.

Japan's two leading gas utili-ties, both suffered profit declines in the six months to September, but Osaka Gas had considerable success in offsetting the effects of a rate cut with improved sales. Pre-tax profits of Tokyo Gas tumbled 24.5 per cent to

YI4.1bn in spite of a 3.6 per cent increase in revenues to Y307.4bn. The company said the profit reduction was due to à reduction in gas rates, imposed by the Government because of cuts in the price of imported gas.

It also had a higher deficit in

depressed in the second half.

Tokyo Gas and Osaka Gas,

its non-operating account due to the costs of launching a Y2.8bn convertible bond issue. Net profit dropped 21 per cent to Yilbn or Y4.05 per share. Osaka Gas said its pre-tax profit was down only 1.5 per cent to Y11.3bn on better than expected sales, up 2.2 per cent to Y247.7bn.

The power companies expect their results to remain JAPANESE ELECTRIC POWER COMPANIES

	Reve	TUE	Pre-ta	x profit
·	Ybn	%	Ybn	%
Chubu	830.9	+0.2	84.5	-6.5
Chugoku	402.3	-0.2	27.9	-13.1
- Hokkaido	207.2	-2.5	15.5	-11.8
Hokuriku	178.5	+0.3	12.4	-1.1
Kansai	1,028.5	-1.5	57.6	-35.9 ·
Kyushu .	528.6	-0.2	33.2	-15.7
Shikoku	197.9	-0.4	19.4	-19.0
Tohoku	504.3	-1.2	28.6	-14.4
Tokyo	1,961.6	-2.1	104.2	-24.5
Parent company re	epylis, helf-year to Se	peember		

We are pleased to announce that Jonathan L. Auerbach has been elected

Chairman Cresvale International Inc. New York er New York Stock Eartha

New York Hong Kong Tokyo Zurich CITICORPO U.S. \$500,000,000

Subordinated Floating Rate Notes Due October 25, 2005 Notice is hereby given that the Rate of Interest has been fixed at 8.85% and that the interest populate on the relevant interest Payment Date December 30, 1988 against Coupon No. 38 in respect of US\$10,000 nominal of the Notes will be US\$73.75. November 30, 1988, London By: Citibank, N.A. (CSSI Dept.), Agent Bank CITIBANCO

In accordance with the provisions of the Notes, notice is

Agent Bank:

Wells Fargo

In accordance with the in accordance with the provisions of the Notes, notice is hereby given that for the Interest period 30th November, 1988 to 30th December, 1988 the Notes will carry an Interest Rate of 8%% per annum.

U.S.\$300,000,000

Unconditionally guarunteed as to payment of principal and interest by The Republic of Italy

Morgan Guaranty Trust Company of New York

provisions of the Notes, notice is hereby given that for the Interest period 30th November, 1988 to

Compagnie Générale d'Électricité

first nine months of 1988, the consolidated net sales of Compagnie Générale de CGE) amounted to FF 85.5 billion, an advance of 9 % over the same 1987 on a comparable structural basis. Calculated using the actual structures, the

figures take into account the structural changes that have occurred since the ming of the year, among which the most important are:

CGE FIRST THEE QUARTER SALES **UP** BY 9 % (COMPABLE STRUCTURES)

- Sale of the consumer electronics business of Standard Elektrik Lorenz (Alcatel SEL); - Alsthom's divestiture of its majority

stake in SEMT Pielstick; - divestiture of the majority stake in

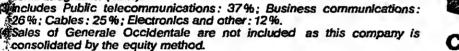
Ceraver; - Cables de Lyon's acquisition of controlling interests in Thomson Cuivre and Manuli, and purchase of Ericsson's US cable business: - Alcatel NV's sale of Qume in the US

and of Alcatel Kirk's Christian Roysing division in Denmark.

reakdown of sales by business segment for the first nine months of 1987 and is as follows:

(in FF million)	1987 (1)	1988
urgy and transportation	15,050 2,247	16,445 2,864
strical contracting and industrial process control	7,968 2,440	8,256 2,662
Micellaneous businesses (4)	52,732 3,651 (1,978)	54,060 (3) 3,554
TOTAL	82,110	(2,385) 85,456

(1) Restated using comparable consolidation methods.
(2) Sales of Framatome and its subsidiaries are included on the basis of propordional integration (40%).





SPONSORED SECURITIES +3 10.3 +3 10.0 6.2 5.3 1.6 29.6 5.7 5.0 8.4 10.0 4.3 8.6 4.1 13.0 9.1 3.4 7.0 33 BAS Design group 0/500 155 Bardon Group 100 Bardon Group Chee, Fed. 21 27 67 52 11.0 123 147 61 103 120 246 CCL Group Ordi 33 3.0 12.2 6.0 2.0 2.0 4.2 37.1 13.5 2.0 13.5 10.7 -2.9 10.0 7.4 6.2 9.4 4.9 63.5 10.7 2.7 8.0 Granville & Co. Limited. 8 Lovas Lane, London EC Telephone 01-621 1212 S Lovet Lane, London ECSR 48F Telephone 01-621 1212 London ECSR 4M Member of the Stock Exchange & TSA ber of TSA

bankleumi (uk) plc

Base Rate Bank Łeumi (UK) plc announces that with effect from Friday 25th November 1988 its

base rate for lending is increased from 12 per cent per annum to 13 per cent per annum.

bank leumi בנק לאומי 🛞

SVENSKA INTERNATIONAL nated Floating Rate Notes 1995

Notice in hereby given that for the literest period from 30 November 1968 to 31 May 1990 the rate of linterest on the notes is 9.625 pet per amount. The coupon amount will be USD 466.00

ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY

Do you need senior management quickly...

but not for long?

Maybe you need a Finance Director for just a few months to help with an acquisition.

Or an experienced manager to mastermind a rationalisation

Or perhaps short-term it's a Manufacturing Director you require, while you seek a permanent replacement.

Whatever your oced for temporary management, the CBI/P-E Inducon Temporary Executive Service can supply within days an experienced director or manager who will be totally committed to your business.

Backed by the CBI and P-E Inbucon, one of Europe's leading management consultancy companies, the Service has a register of over 1000 executives of proven calibre in all manufacturing and service industries.

 a quick response an executive effective

 oo recruitment fees flexible contract

CEUP-E INEUCON TEMPORARY EXECUTIVE SERVICE

Contact Ben Blackden or John Allum - 0784 34411 (fax 0784 71405) P-E Inducon Limited, Park House, Wick Road, Egham, Surrey TW20 0HW

U.S. \$300,000,000



Woodside Financial Services Ltd. (Incorporated in the State of Victoria)

Guaranteed Floating Rate Notes due February 1997 Unconditionally Guaranteed by The Industrial Bank of Japan, Ltd.

In accordance with the Terms and Conditions of the Notes, notice is hereby given, that for the Interest Period from November 30, 1988 to February 28, 1989 the Notes will carry an Interest Rate of 91/2% per annum. The amount payable on February 28, 1989 will be U.S. \$5,937.50 and U.S. \$237.50 respectively for Notes in denominations of U.S. \$250,000 and U.S. \$10,000.

By: The Chase Manhattan Bank, N.A. London, Agent Bank November 30, 1988



INTERNATIONAL CAPITAL MARKETS

Bank of Tokyo launches option-backed dollar issue

By Dominique Jackson

ATTENTION IN the Eurobond market yesterday focused on reports that four or five major financial institutions were set to tap the dollar straight sector with boods carrying a call option. In the event, only one finally emerged against a back-ground of lacklustre secondary markets with prices finishing marginally firmer, where changed, in extremely low vol-

Dealers said the market saw some consolidation in the wake of Monday's rise in oil prices and US prime rates. Trading was quiet shead of the revision to US third-quarter Gross National Product data and little business was done after-wards, although the npward revision, at 2.6 per cent, was slightly better than expected and provided some support for bond prices. Dealers anticipate that trading will remain sub-doed ahead of upcoming US employment data, which have proved to be an influential market mover over the last few months. November's statistics are due on Friday.

US DOLLARS

Sk of Tokyo (Curacao)(e) Sumitomo Rubber Ind.

Westla Int. (kul)

Helaba Luxembourg

Gotabanken(c)***

Daito Seiki Co.(d)\$**

DANISH KRONER Genoss'liche ZB-Vienna◆

Lib. Mirtual Cap. 94 93.

LT.C.S of Japan 8 91.
LT.C.S of Japan 8 91.
LT.C.S of Japan 8 91.
Mercis-Beat Cd. 82, 95.
Metropolis Totro 9 12, 93.
Morgan Guaranty Tst. 7 90.
Norsey 8 1, 93.
Peoplio lite 7 1, 93.
Protogal 8 12, 91.
Protential Crp. 8 1, 94.
Quarta Airways 10 14, 95.
Rep. of Italy 9 12, 95.
Sastauthream 10 14, 92.
State 8 15, 244 19 13.
Sumitomo Bank 9 1, 93.
Swed Exp. Cred 7 1, 91.
Seed Exp. Cred 7 1, 91.
Seed Exp. Cred 10, 92.
Sweden 7 91.
Seeden 7 92.

DEUTSCHE MARK
STRAISHTS
Asian Dev. B.K. 6. 94
Avis Fin. SVS 5-5, 92
Bank of Tokyo 5-9, 93
Central BK. Torkey 7-92
Commerchack 0y. 5-9, 93
Degussa Int. 6-9, 97.

Earo. Coal & Steel 5% 97.
Eurofima 64, 96.
Elec De France 54, 97.
Forsmark Krig. 5% 97.
Japan 6w. 8k. 5% 95.
Japan Fisance 5% 97.
Ireland 61, 97.
Malaysia 64, 94.
Mrt. West 8K. PLC 698.
N.H. L. Finance 64, 95.
Nippon Teig. 6,Tei. 6, 95.
Oesters. Konthik. 593.
Portugal 5% 92.

Portugal 5% 92.

Portugal 6% 95.

Privatbanken 5% 93.

Royal Insurance 5% 92.

See Cent Nuclear 7% 95.

Turkey 6% 95.

Westlb. Finance 5 93.

World 8K. 6% 97.

Average price change.

SWISS FRANC STRAIGHTS Affican Dev. Bk. 5 96... Asfinas 5 03... B.F.C.E. 41, 98... S.M.W. Fin. Neth. 5 13... kriandia 8/5. 41, 94... IR. Int. W/W 3 93... redit Lyonneis 41, 00... I.8 41, 98... be City 41, 98... ds Para

SWIES FRANCS

Commerzbank O'seast to

Japan Development Sk(f) ◆
Shochiku Co.★★◆

Bank of Tokyo Capital Markets brought a seven-year issue with a call after four for a unit of its parent bank which is also the guarantor of the deal. The arrangement follows two similar issues for SEB and BNL and carries a 10 per cent coupon. Syndicate managers at other houses said the bulk of the demand for these deals had originated in Japan, with strong antipathy to the call feature remaining among investors in most other com-

One senior syndicate official commented that Japanese investors, far from suddenly warming to the call, were instead concentrating on the instead concentrating on the size of the coupon, which is extremely attractive given the top credit rating of the borrowers that have so far issued this paper. The call has also enabled the lead managing houses to offer an attractive coupon and achieve the borrowing terrets of the issuer. A rowing targets of the issuer. A plain vanilla deal would probably have to come at a much lower level, around 9% to 9%

NEW INTERNATIONAL BOND ISSUES

100

10132

100

100¹4 100¹4 100

101 34

**Private placement. With equity warrants, \$Convertible, #Floating rate note, \$Final terms. a) Coupon cut by \% from indication. b) Coupon pays 6-month Libor. c) Subordinated. Call after 3 years at 101 declining \% p.a. d) indicated put option 31/3/91 at 107% to yield 3.852%. e) Call at 100 Jan. 1993. f) Call 1993 at 101 declining \% p.a.

FT INTERNATIONAL BOND SERVICE

1993 1994

1993 1993 1994

Abbey Nat. BS. 101, 93 £
Alg. Bt. Med. 51, 93 FL
Alg. Bt. Med. 52, 92 FL
Alg. Bt. Med. 52, 93 FL
Amro Bank 64, 92 FL
Amro Bank 64, 92 FL
Amro Bank 64, 92 FL
Barc Bt. 101, 97 £
Brush 194, 93 £
Brush 195 Brush 195 Bt.
Brush 195 Brush 195 Bt.
Coop. Ctr. Rabo. 64 92 FL
Desmark 77 92 ECU
Desmark 78 92 ECU
Desmark 78 97 ECU
Desmark 78 97 ECU
Estatuan Kodak 13 90 AS
£ LB. 7 90 LFr
Eles France 101, 97 £
Best Than Kodak 13 90 AS
£ LB. 7 90 LFr
Eles France 101, 97 £
Brush 195 Bt.
Brush 197 92 CS
Gillette Can. 91, 93 E
S. M. A. C. 91, 93 E
S. M. A. C. 91, 93 E
S. M. A. C. 91, 93 E
Inv. Industry Int. 10 93 £
Inv. Industry Int. 10 93 £
Inv. Industry Int. 10 93 £
Inv. Industry Int. 10 93 E
Inv. Industry Int. 10 93 E
New Zealand 91, 93 £
New Zealand 91, 93 £
New Zealand 91, 93 £
Royal Bt. Sort. 101, 98 £
Saskatchewan 91, 91 CS
So. D. R. 74, 95 ECU
World Bank 131, 92 AS
Zentropk. 134, 93 AS

FLOATING RATE NOTES

Alsoa 64, 02 US...... Also Health 64, 01 US

Alon Health 64, 01 US.
Asner. Brands 75, 02 US.
Ashikaya Bank 2 ½ 02 US.
Aslet 5 92 DM.
CRS. Inc. 5 02 US.
Fejitsts 3 99 US.
Land Sex. 64, 02 S.
Micotta Camera 21, 940M.
Mitsub Trust 21, 01 US.
Mitsub Trust 21, 01 US.
Rest Pt. 5 1, 03 6.
Rish Health 23, 03 US.

Notes Hippines 25 02 US.
Printer Taines 25 02 US.
Printer for 51 02 US.
Runks Hovis 41, 03 C.
Rudison 71, 02 E.
Szatobió Stein 6 1, 03 E.

Alliance & Leic, Bid 94 £
Belgium 91 US.
Britannia 5 93 £
Chase Manhattan CD, 91 US.
Cridicaru 98 US.
Credit Foncier 98 US.
EEC 3 92 0M
Hallian 83 5 5 5 1
Midland Bank 01 £
M

Bonds: The yield is the yield to redemption of the mid-price; nount issued is in millions of currency units except for Yea where it is in hillions. Change on week - Change over price a methan

week earlier cazing Rate Notes: Denominated in dollars unless otherwise indi-cazing Rate Notes: Denominated in dollars unless otherwise indi-cazid. Coupon shown is minimum. C.dte= Date sext coupon becomes effective. Suread = Margin above six-month offered rate (tithres-month; Sabove mean rate) for US dollars. C.com = The current compon.

coopen.

Convertible Boods: Denominated in dollars unless otherwise indicated.

Chg. day = Change on day. Cav date = First date of conversion into shares. Cav. price = Nominal amount of bond per share expressed recurrency of share at conversion rate fixed at Issue. Prem = Percentage premium of the currenteffective price of acquiring shares via the bond goer the most recent price of the shares.

.. On day 0.00 on week -0.06

Corr. Corr

chita prica Stat Offser day Prem
-1:847 42. 101. 102 -03; 19.01
-7/86 26.25 105½ 107½ 0 -1.04
-9.67 56.7 105½ 107½ 0 -1.04
-4.67 967. 199½ 150½ 444; 6.72
-4.67 967. 199½ 150½ 444; 6.72
-4.67 967. 199½ 150½ 444; 6.72
-4.67 967. 199½ 150½ 444; 6.72
-9.67 69.65 79½ 80½ 40½ 30,29
-9.67 69.62 79½ 80½ 40¼ 30,29
-9.67 69.62 79½ 80½ 40¾ 30,29
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 137% -0½ 20,86
-9.67 3157. 156½ 139% -10½ 134,41
-4.67 60.75 60 65 0 5532
-1.68 35 100½ 109% -0% 5.51
-1.68 35 100½ 109% -0% 5.51
-1.68 35 100½ 109% -0% 5.51
-1.68 35 100½ 109% -0% 5.51
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 109% -0% 5.61
-1.68 35 100½ 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5.61
-1.68 35 100% 100% -0% 5

412

914

300

50 32 80

300

Listed are the latest international bonds for which there is an adequate secondary market

per cent, to reach these targets. Since Bankers Trust led the first such deal last week, there has been considerable interest in the structure, but many houses have apparently held back, unsure of being able to place the paper. Those who did locate pockets of potential interest reportedly sold their interest reportedly sold their commitments into Tokyo at a profit, but this demand, if not already satisfied, is expected to dry up shortly and any subsequent deal could have a fairly rocky ride. Dealers said some houses which joined co-management groups for relation-ship reasons had either sold their bonds back through the

brokers or were sitting on their positions in the hope of placing them in Tokyo at a later stage. Elsewhere in the market, Daiwa Europe led a \$100m equity warrant issue for Sumi-tomo Rubber Industries, which was bid at 104%, a healthy premium to its par issue price. Prices of new deals in the Japanese equity-linked sector continue to be well supported by shortage of supply.

1%/14 Bank of Tokyo C.Mkts 24/12 Daiwa Europe

15/712 bp Commerzbank n/a Hessische Landesbank

Nordenanz-Bank

24/12 Nomura Int.

112/1 WestLB

1994 1%/14 Sparekassen SDS

Dutch bank lobby aims to initiate discussion

By Laura Raun in Amsterdam

DUTCH bankers, a gentle-manly and reserved lot, are forming a new lobby group to sharpen their public image and present a more united front on divisive issues.

Mr Roelof Nelissen, chair-men of Amsterdam-Rotterdam Bank, said yesterday that the most urgent task facing the new Association of Dutch Banks was improving "public relations." For example, cus-tomers and politicians needed to be made aware of the costs as well as the benefits of elec-tronic banking.

As the Netherlands moves

somewhat belatedly — into the era of electronic banking, financial institutions have differed deeply over payments clearing systems and the introduction of survice feet.

duction of service fees.
"The initiative is intended to make consultations among Dutch banks more transparent and accessible to organisations and persons." the official state-ment said. "The banks expect the establishment of the association to improve the internal consultative structure as well as the external promotion of interests on a national and international level."

The new association is a response to several important trends. One is the growing power of consumers, who are flexing their muscles in The Hague and Brussels after years of failing to use their influence in the overbanked Netber-A second is the blurring of

lines between traditional banking sectors so that the interests of universal, savings and co-op-erative banks are more aligned.
Third, price cartels have crumbled as the European

Commission has ordered Dutch banks to stop agreeing uniform fees for services. Finally, the unification of European markets in 1992 requires a more common front from Dutch banks than is possible under the existing Bank-ers Association, which keeps a

much lower profile than its

European counterparts. The association will serve as an umbreila for several exist-ing groups and is expected to have more than 100 members. It will be open to all banks registered in the Netherlands, including about 43 foreign

Fitch takes rest of **Euroratings**

By Stephen Fidler, Correspondent

FITCH Investors Service, the US ratings agency, has taken over the 60 per cent stake it did not own in the London-based credit rating firm, Euroratings.

The stake has been bought

for an undisclosed sum from its two Belgian shareholders, Société Générale de Belgique and Cobac, the credit insur-ance firm of which La Générale owns directly and indirectly

about 25 per cent. La Générale, which owned a 45 per cent stake in Euroratings through its Tanks subsidiary, has indicated it intends to sell subsidiaries and affiliates in the financial services sector over which it has no operational control. It recently sold its stake in the London arm of Dilion Read, the New York investment bank.

The stake in Euroratings was only taken earlier this year and the terms of the sale were not disclosed.

Mr Richard Cacchione, Fitch's president, said Fitch intended to reduce its stake from 100 per cent, and was now in discussions with other potential European shareholders. Talks were furthest advanced with a firm in the information and financial ser-vices husiness, an agreement with which was possible in the

near future. Euroratings was established in 1985 by Fitch specifically to cater for the Euromarkets, with the idea that it should be substantially owned by Euro-

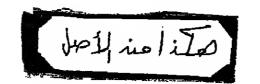
peans.
Although in some ways the first to recognise the niche in the Euromarkets, it has struggled to build its business in the face of strong competition from the two larger US ratings agen-cies, Standard and Poor's and Moodys, and is still unprofita-

Mr Cacchione said the decision by La Générale to sell the stake was not a reflection on its profitability, which it was widely recognised would be slow in coming.

Full Colour Residential **Property Advertising** APPEARS EVERY SATURDAY TEL CAROL HANEY

01-489 nn30 ·

Wilai Hay



INTERNATIONAL CAPITAL MARKETS

fails to depress market

A FRENCH October trade deficit of FFr4bn, well above the mainstream of market expectations, failed to depress government bond markets from their opening levels. Indeed, benchmark OATs registered alignst cains in fairly the ball-point rise in US government bond markets from their opening levels. Indeed, benchmark OATs regis-tered elight gains in fairly active trading.

ch bank

aitiate

ussion

Charles Waller College College

1000

restainings

Dealers said that while the trade deficit might have been over target in October, a small surplue had been registered the previous month and the year's total trade deficit, at FFr27bn, was still within government foreressts. ernment forecasts.

The Treasury said that it would suction on Thursday FFr7bn to FFr9bn in new gov-ernment bonds, consisting of a new tranche of the 8.70 per cent OATs due 1995 and the 8½ per cent OATs due 2012. There would also be a tranche of floating rate securities sold.

UK government gilts gained as much as % points among longer dated issues, with buying encouraged by firm re-affir-mation of the Chancellor's anti-inflationary policy in a speech before Parliament.

The latest rise in UK hase rates has also boosted demand for sterling and the currency showed a further rise against the dollar and DM. However, gilts dealers said the strong currency was doing little to attract foreign investors to the bond markets.

One reason is that the sharply inverted yield curve the longest-term interest rates are over 150 basis points below. the shortest – results in so-called negative carry. This means that investors must borrow money at higher rates to buy securities producing lower rates. For domestic UK inves-tors who must keep hinds in sterling, there is little choice.

Also, the shrinkage seen in the overall gilts market as a result of the UK Treasury's full funding policy is making it increasingly illiquid. Dealers said that investors in the US and Japan cited the diminsh-ing liquidity of the Treasury's 13 per cent stock due 2003/2007 as a good reason to avoid gilts, despite the advantages of holding such a strong currency.

The half point rise in US bank prime lending rates on Monday had led JGB traders to adopt short positions, in case a rise in the US discount rate was matched by similar rate rises in Length Physical Physics of the Country of the Co vises in Japan. Therefore, the Bank of Japan's purchases of securities on Tuesday were seen as an effort to assauge

those fears.

The bank purchased Y4bn of two-week bills at 4% per cent and traders said it was seen.

GOVERNMENT BONDS

informally lending money to brokers at similar rates. The benchmark 105 bond yield fell 10 basis points in Tokyo to 4.59 per cent and fell further to 4.57 per cent in London. The strength of the currency and a downward revision to third-quarter US GNP helped sup-

port the bonds.

Meanwhile, the number 111
JGB, pegged as a possible benchmark replacement, also fell 12 basis points in yield, trading at 4.66 per cent in Lon-

In West Germany, details were announced for a new 10-year federal bond. It will total DM4bn and carry a coupon of 6% per cent and an issue price of 99% to yield 6.41 per cent.

ginal decline in oil prices more than offset evidence of a slightly stronger economy in the third quarter and led to gains in US bond prices yesterday morning.

The Treasury'e benchmark long bond was modestly higher throughout the morning and traded by early afternoon 98%. up is on Monday'e close. The bond yielded 9.119 per cent at this price. Money market rates were also alightly below the previous day's level, with Federal Funds fluctuating all morning between 8% and 8%. morning between 8% and 8% per cent. The Fed injected liquidity, estimated at between \$2bn and \$4bn, through two-day system repurchase

The main event in a generally quiet day was the upward revision of the Commerce Department's gross national product statistics for the third quarter - to an annual rate of 2.5 per cent in the third quar-ter, against the initial estimate of 2.2 per cent and the second quarter's final figure of 3 per

Inflation in the third quarter was also revised upwards, to 5.1 per cent, from the originally reported 4.9 per cent. The fixed weight index has thus risen by over 5 per cent for two consecutive quarters - the first time in the US since 1982 that broad-based inflationary pressure has persisted at this level.

		Coupon	Red Date	Price	Change	Yield	Week ago	Month
UK GILTS		13.500 8.750 6.000	9/92 9/97 10/08	107-18 91-20 98-10	+2/32 +4/32 +4/32	11.00 10.22 9.18	10.42 9.88 9.09	9.99 6.53 8.94
US TREASUR	Y.	8.875 9.000	11/98 11/18	98-06 98-19	+2/32 +4/32	9.14 9.14	9.13 9.18	9.70 8.81
	105 to 2	5.000 5.700	12/97 3/07	102.7563 108.1389	+0.771 +0.621	4.57 4.86	4.55	4.60 4.90
GERMANY		6.750	8/98	102.0250	-0.725	6,48	6.40	6.26
	TAN TAC	9,000 9,500	10/99 5/98	97.7851 104.8000	-0.038 -0.125	8.56 9.75	8.57 8,79	8.37 9.60
CANADA		10.250	12/96	100,7500	+0.125	10,13	10,07	9.70
NETHERLAND	S	6.7500	10/98	102,0500	-0.100	6.53	6.46	6.35
AUSTRALIA		12.500	1/96	100,1432	+0.349	12.46	12.20	11.90

High French trade deficit | Bank of France lets down the drawbridge

George Graham on the central bank's tradition-breaking rationalisation proposals types of service are often pro-vided by private-sector insti-tute, but the Bank of France

he Bank of France is about to embark on its first strategic plan since its foundation in 1800.

For an institution that has spent most of the last two centuries firmly enclosed within its stout walls in the heart of Paris, the plan represents a determined attempt to modernise operating structures and to ise operating structures and to come to grips with the tasks of a central bank at the end of the

its traditional roles in the mon-

etary sector.
The outline plan responds in part to the three-week strike that hit the Bank of France last December, paralysing France's cash distributor machines by blocking deliveries of new bank notes from its printing works at Chamaliarose

However, although the plan, covering the next five years and due to be finalised in January, is an indication that the central bank thinks it knows where it is going, it may not reassure all of its 17,000

employees.
For, despite measures aimed at retraining many staff mem-bers, the plan foresees large cuts in several of the Bank of France's principal activities, especially the branch network and the payment systems divi-

The Bank of France has 233 branch offices around the country employing over 7,000 people - more than the entire Bank of England, which has only five branches.

The branch network was last remodelled in 1976 but, in the view of most senior officials at the central bank, remains over-

weight in a large number of regions. The task of looking at the network will be entrusted to an external committee, although branch closures are difficult eince most local employees are unwilling to be redeployed in other branches Staffing in the note handling and payments systems divi-sions, too, will have to be reduced as operations are increasingly automated, but the workforce in areas such as

computer operations and banking supervision is expected to grow.

Meanwhile, the personal banking sector has been given five years to prove that it can break even. The Bank of

France's most important cli-

ents are clearly financial insti-

However, perhaps the most controversial area of develop-ment is into semi-commercial sectors, where the bank hopes to market its services and its knowhow, in competition, if necessary, with the private sec-



The Bank of France's 'fortress' in the heart of Paris

tutions, but it has a total of 76,000 accounts, five times as many as its English counterpart, and values this customer base as a window on to the development of commercial banking operations.

Less independent in monetary policy than the West German Bundesbank, less involved in the modernisation of financial markets than the Bank of England, the Bank of activities than either in such

areas as economic research and credit analysis. The bank hopes to develop its database of 23,500 company balance sheets and the associated Aida and the ated Aide corporate diagnosis service, due to start early next year. In other countries these

ture, but the Bank of France hope to negotiate with other central banks, and then with private organisations if neces-sars to extend its range of information to other European The same European development could eventually take place for the corporate credit detalate, dubbed fiben, which supplies.

supplies accounting informa-tion and short-term credit rat-ings to 730 banking and credit institutions in France. This service sims to increase its service sims to increase its customer base to 1,100 or 1,200 in two years.

Other Sectors where the Birth of France plans to market its skills overseas include benknote printing and security benknote printing and security consultancy

However, private-sector compelitors may start to how!
when the French central bank
stars trending on their turf,
with an avowed aim of simply
balancing its income with its

For although the Bunk of France made not profits of FFrashn (3426m) last year, these came largely from its role in the management of French monetary porticy.

World securities council plan

By Stefan Wagstyl in Tokyo

THE WORLD'S leading associations of securities dealers are meeting in Tokyo next week to launch an interna-tional council to improve the

exchange of information.

The founder members hope that the International Council of Securities Dealers Associations will help them keep in touch with the increasing internationalisation of many aspects of the industry, especially moves towards cross-border regulation.

By Andreas Hadjipapas in Nicosia

THE Consumer Services Group

of Citibank hopes to open its first office in Cyprus next year, making it the first US banking

organisation to set np business on the Island.
Officials of Citibank have

The council is being estab-lished on the initiative of the Japan Securities Dealers Asso-ciation, which approached other potential members this summer. The move reflects the increasing confidence of the Japanese industry in patting forward ideas to an interna-

The other founder members are the National Association of Securities Dealers (Nasd) and the Securities Industry Associ-ation, both from the US; the

Citibank hopes to open Cyprus branch

visited the governor of the Central Bank of Cyprus and

formally applied for permission to open a branch in Nicosia for

both domestic and offshore

Mr Peter Bellows, bead of

tional forum.

Securities Association and the Financial Intermediaries, Managers and Brokers Regulatory Association (Fimbra), both from Britain; and the Invest-ment Dealers Association of Canada.

Mr Yoshiya Yoshikawa, a managing director of the Japa-nese association, said the initial object was to exchange information. However, it was possible that the new council might also play a part in lobby-ing regulatory bodies.

the bank's division for Europe,

the Middle East and Africa told a press conference that

Cyprus was now developing

into an important trading and

tourist centre, presenting an opportunity for Citibank.

Japanese trust banks profits down at half year

By Stefan Wagstyl in Tokyo

JAPAN'S LEADING trust banks suffered from a squeeze on their lending margins which hit profits in the six months to end-September.

A rise in long-term interest rate lifted the cost of raicing.

Mitsubick Trust Eank.

Nippon capects a modest 7 per cent increase for the year as a mode, but Chino expects full year profits to be down by 16 per cent.

Mitsubick Trust and Trust Eank.

rates lifted the cost of raising funds while demand for loans was generally slack.

The four largest banks managed to increase unconsolidated profits at the pre-tax level, out profits fell at Chuo Trust and Banking and at Nip-Mitsubista Trust and Bank-

JAPANESE TRUST BANKS									
	Re	venues :	P:e-tz	x profits					
	Ybn	%	Yen	%					
Mitsubishi	649	+ 18.6	80.6	+ 6.3					
Sumitomo	700	-0.7	0.03	+ 3.7					
Mitsul	604	+10.4	58.6	+ 10.8					
Yasuda	494	+9.9	52.6	+6.2					
Toyo	457	+63,0	43.3	+ 2.0					
Chuo	248	+28.8	14.5	-24.9					
Nippon	65	+9.0	40	-27.1					

FT-ACTUARIES SHARE INDICES

These indices are the joint compilation of the Fire

the institute of Actuaries and the Faculty of Actuaries Tuesday November 29 1988

							_				- 11
FI	& SUB-SECTIONS Igures In parentheses show number of stocks per section	Index No.	Day's Charge	Est. Earning Yield% (Max.)	Yield%	Est. P/E Ratio (Net)	xd adj. 1988 to date	Index No.	Index No.	Index No.	Index No.
			%		(25%)						
$\overline{}$	CAPITAL 6000S (209)	782.57	+0.3	17.34	4.35	10.91	24.06	780.19	791.59	815.71	632.44
5	Building Materials (28)	968 77				9.51		961.29			
- 5	Building Materials (28)	1482 75	10.7			9.91	46.04				
-	Electricals (11)	27/0 72	-0.2			13.21	76.53		2372.13		
- 2	Electronics (30)	1714 20	-0.2			12.32					
	Mechanical Engineering (55)	412 00	+9.6	10.95		11.19	13.59	410.37	416.68		
				10.33		11.98	13.69		491.38		
9	Metals and Metal Forming (7)	740 00	6.1	12.57		9.19	9.80				
. 70	Other Industrial Materials (23)	1 207.07	+6.3	10.09		11.77	44.22	1311.57			
. To	CONSUMER GROUP (187)	7427.34	+0.1	9.84		12.76	27.98	1836.83			933.23
22	Brewers and Oistiliers (23.)	11837.40			3.91	11.45	24.10			1147.29	
24	Fred Manufacturing (21)	024 27		10.94	3.68	13.22	26.17	924.48	933.68	956.73	745.77
2	Food Manufacturing (21)	727.31	4100000	9.56							
20	Food Retailing (16) Health and Household (12) Leisure (31)	1017.42	+8.1	9.67	3.76	13.64	46.95 40.69			1879.71	
2/	HEATTH AND HOUSEHOLD CLZJ	11084.02	+0.1	7.46	2.80	15.37		1892.40		1859.19	
29	Leisure (SD	11377.80	+0.2	8,64	3.74	14.82	35.06				
31	Packaging & Paper (17) Publishing & Printing (19)	221.01	+1.3	19.64		17.68	16.19	520.69	528.11	549.97	
32	Publishing & Printing (19)	3327.76	+0.5 -0.1	9.63	4.32	13.81	106.59 23.22	3313.25	3337.68	3446.88	
34	Stores (34)	170-21		11.86	4.78	11.08		717.13	727.45	746.16	
35	Textiles (16)	4/4.0/	+0.3	14.58	5.87	8.21	18.17	473.43	484.31	497.26	
40	OTHER GROUPS (92)	870.67	+8.6	11.57	4.64	10.55	24.69	\$85.65	891.96	907.91	
41	Agencies (19)	1029.28	+0.3	1.56	2.70	14.71	20.98	1025.83	1636.89	1062.85	872,13
	Chemicals (22)	1002.69	+0.6	12.74	5.25	9.43	41.34	996.57	1019.78		934.52
43	Conglomerates (12)	1203.30	+1.6	10.65	4.55	19.76	25.26	1244.89		1268.25	
45	Shipping and Transport (12)	1002-09	+0.3	21.87	4.98	11.01	42.48	1877.07	1961.46	1951.66	
47	Telephone Networks (2)	987.67	+9.4	11.89	4.76	10.93	20.38	983.43	981.33	998.16	82L64
<u>48</u>	Miscellaneous (25)	1163,41	-	- 12.63	4.63	9.47	48.53	1182.99		1219.02	
49	INDUSTRIAL GROUP (488)		+0.3	10.72	4.23	11.57	26.67	942.23	951.76	975.48	817-25
51	Oil & G25 (12)	2707.34	-0.2	10.84	6.55	11.81	76,12	1710.84	1720.23	1740.00	1572.02
59	500 8HARE INDEX (500)	1909.92	+0.2	10.73	4.55	11.60	30.87	1007.52	1017.14	1040.62	876.14
61		486.39	10.9	-	5.17		25.49	688.47	-681.14	496.87	548.42
	Banks (8)	677.25	+1.2	28.72	6.37	6.47	31.13	669.03	667.76	678,70	582.95
65	Insurance (Life) (8)	924.28	+8.5		5,74		39.81	919.45	923.85	947.25	847.77
66	insurance (Composite) (7)	507.48	+0.3	l _ {	6.16		24.84	505.95	505.24	516.60	448.44
67	Insurance (Brokers) (7)	905.54	+1.1	9.69	7.14	12.90	46.87	895.83	902.17	908,98	739.53
68	Merchant Banks (11)	328.33	+8.5		4.54		10.15	326.67	323.33	334.68	307.20
69	Property (52)	1280.63	- fl.I	5.45	2.64	23,44	21.81	1266.18	1268.23	1308.45	859.81
70	Other Financial (31)	358.82	+6.3	9.82	5.48	12.72	14.72	357.87	358.74	363.28	339.79
71	Investment Trusts (76)		+0.6	_	3.28		19.76	909.85	914.40	930.33	757.64
81	Mining Finance (2)	562.04	-0.4	10.88	3.72	10.25	15.67	564.28	567.24	573.44	423.24
91	Mining Finance (2) Overseas Traders (8)	7355.85	41.2	3.47	4.67	13.34	44.98	1339.42	1362.25	1374.13	854.06
-66	ALL-SHARE INDEX (710)	930 12	+0.4	- 0.07	4.59	-	29.10	924.87	934.36	955.23	795.51
77	ran, within 119 En U My monnion										
		index	Day's	Day's	Day's	Nov 28	Nov .	Nov 24	. Nov 23	Nov 22	Year
		No.	Change	Hìgh (a)	Low (b)						290
	FT-SE 100 SHARE INDEX &	1786.91	+5.4	1793.5	1785.01	1741.51	1794.7	1833.0	1837.1	1821.3	1578.5

	FLX	(ED I	NTE	REST	ľ.			AVERAGE GROSS REDEMPTION YIELDS	Tue Nov 29	Mon Nov 28	Year ago (approx
ì	PRICE INDICES	Tue Nov 29	Day's change %	Mon Nov 28	xd adj. today	xd adj. 1968 to date	1 2	Eritish Government Low 5 years	9.52	10.42 9.53	8.4 9.2
2 3 4	5-15 years Over 15 years Irredeemables	146.64	+0.07 +0.23 +0.35	118.23 134.35 146.31 169.50 131.95	/ _ : - : - :	19.20 11.64 13.10 13.38 11.43	6 7 8 9	Hediam 5 years. Coupons 15 years. 25 years. High 5 years. Coupons 15 years. Livedesmables.	9.04 10.80 9.75 9.26 10.95 9.88 9.31 8.91	9.07 10.81 9.77 9.29 18.97 9.89 9.35 8.94	9.1 9.4 9.3 9.1 9.5 9.3 8.9
6 5	Index-Linked 5 years Over 5 years	129.84 127.66 127.02	+0.08 +0.13	129.73 126.83 126.86	- - -	1.81 2.96 2.85	12 12 13 13 14	Indict-Linked Inflation rate 5% Inflation rate 5% Inflation rate 10% Inflation rate 10% Over 5 yrs. Inflation rate 10% Over 5 yrs.	3.59 3.73 2.40 3.56	3.62 3.74 2.42 3.56	2.5 3.6 2.6 3.6
+	Dehoutures & Lauss	117.60	-0.02	117.90	0.28	11.14	15 16 17	Delis & 5 years, Leans 15 years 25 years	11.25 11.01 10.77	11.36 11.06 10.77	10.4 18.5 18.5
미	Preference	86.86	-0.62	86.88	· ·-	6.31	18	Preference	16.29	10.29	10.5

LONDON MARKET STATISTICS RISES AND FALLS YESTERDAY ns, Dominion and Foreign Bonds cial and Properties . 1.511 **LONDON RECENT ISSUES** lame Amend Latest 1986

-	Park	Repor		, OR		toods i	Const	+0	MC.		67US	7.
Mize	æ	date	High	Low			Price		Div.	š	Yield	Ratio
92 92 92 934 955 1.40 91 91 91 91 91 91 91 91 91 91 91 91 91		25/11 16/11	101 192 178	2559855	iApolio Wat STR Warram (Chieftale & Edinburgh i 'airey Group (iaspow test (Jeyes Group Mehville Gro kew Zouland (errametrion tacal Teleco (aire) (MAC Groop Safetanni St (Whitegate)	ilbernian 2p 50 Trust Wrmts. 50 50 100 For Tsl Pots. Hldgs 5p m 5p	5 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-1 -1 -2	10.45 13.5 13.0 15.8 14.2 14.5 14.5 11.15 12.1 12.6	3.0 2.5 2.9 2.9 2.9 2.9 2.9 2.4 2.4 3.2	24 4.7 4.3 5.0 3.1 4.4 8.4 3.1 3.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5.0 5	17.2 11.4 9.7 9.1 11.1 12.2 14.2 28.5 11.4 6.4
				XED	126TE	REST S	тос	Ж	3	_		
letut	1	ount aid	Latest.	$\overline{}$	126 T S	REST S			3		esleg	+ or
Price £	P	ald op		1 High		REST S	Stock			P	rior £	+ or
100p 100p 100.3p	FFFF	P. P. P. P. P. P. P.	Latest. Resenc	High 96p 1004 p 101p 1045 961-2	958 Low 939 100p 940 1031	AMEC New 610 Artilegton Sec. 6 Blackwood Hos British Sover N	Stack p (Net) Co Planc Con ign Pac Co lew 1094a	Rd. Pr.	Pf 50p f. 2008 2013	P	93p 100p 94p 94p 94p	+ or -1 -1
100p 100,3 100,3 100,8 100,8			Latest. Resurc. Date	High 96p 1004 p 101p 1045 961-2	958 Low 939 100p 940 1031	AMEC New 630 Artiagton Sec. 1 Etackwood Hod British Sogar N Diarch (12 Dev. Colorell Sep 9p Ests & Gee boc Grami Met. 5.7. Land Securities	Stock p (Net) C pl ₂ pc Car log 9pc Cr lew 1034; 9.375pc c Cm Rei i (Net) Cm 100c 1st	m Cv Rt. Rd. Pi n. Pf. 1 oc Dets. Cm Rd i rt. Lz. Mts. D	1 Pt 50p f. 2008 2013 Pt 51 5 10p 1989	P	939 1009 949 949 949 9129	-1
100p 100p 100,3 100,8 100,8 100p		P. P	Latest. Resume Date	High 96p 1004p 101p 1044	958 Low 100p 94p 103js 94p 991p 222c 30 107p 93s 93s 93s 93s 104s	AMEC New 610 Arrilagton Sec. 9 Blackwood Hos British Segar Dharch (CD Dev. Colorell Grp 9p Ests & Get Spc. Transi Met. 5.7	Staci p (Net) C Plype Car jee 10%; 9.375pc e Cm Ri I (Net) Cm 5pc Cv. U 10pc 1st 5p (Net) ira. 7.25 [2]jpc 4. pc(Net) Ri 3. 84 pc Ri I	on Cu Rd. Pr. Rd. Pr. Sc. Deb. Cm Rd in Mts. DC Cm Rd in Mts. DC Cm Rd in Mts. DC Cm Rd in Pr. 12 89	7 PI 50s	P 14	93p 100p 94p 94p 94p	1 1

	RIGHTS OFFERS											
Istan Price	Amount Latest Paid Resucc	19	168	Stock	Closing Price	1.						
P	140	Date	High	Low		P	i.					
10 15 90 15 15 15 15 15 15 15 15 15 15 15 15 15	ਨੇ ਜੋਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੋਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੋਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੋਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੋਜ਼ਵੀ ਜੇਜ਼ਵੇ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ਼ਵੀ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇਜ ਜੇ	25/12	20m 30pm 12pm 30pm 80pm 80pm 21pm 22pm 29pm 10 ¹ 2pm	12pm 10pm 33pm 65pm 30pm 10pm 10pm 6pm 1pm	American Energy . Strumb Sec Gross 106 . Electronic Machine Sp. Scol Petroleum 3.0 . JUSE Destroic 300 . Parillion Leisure 106 . Quadrant Gross 105 . Ratners Gross 106 . Ratners Gross 106 . Ratners Gross 106 . Ratners Gross 105 . Scolect V Ip . Scolect V Ip .	2pm 12pm 10pm 67pm 67pm 30pm 13pm 13pm 6pm	-1 +3 +32-14					
over based forecast, or hydrend, con stilenaturs to reteralised of	on divident eximates er and pie r 1988, k i	d on full c d annualis based on Dividend a	apital.g Ass ed dividesd latest annu ad yield bas a catio bass	zuneo divid i rate, com pal earnings ed on prosp i on prospe	extimates. Il Divident note paid or psysble end and yields: Divident and yield exclude or based on previous year's earnings. L. Est. L. Ill Divident and yield based on Prospects extra or other official extimates for 1991. On the other official extimates in Pro-Form 3 rights, it introduction. Brigating price, the	special payr imated and s or other o D Gross.R F na floures 9	ment offic orec P ksa et lac					

TRADITIONAL OPTIONS				
First Dealings Nov 21 Last Dealings Dec 2 Last Declarations Feb 23 For settlement Mar 6 rate Indications see end of noton Share Service Ills in Powerscreen, Regent-	crest, Trimoco, Unigate, Eurotun- nai Wris, Lucas, Bass, ICI, FR Group, Forward Tech, Chloride, Blue Arrow, Si Grp, Sun Oli, Cos- tain, Charterhall, BOMS. Put in Tyndail. PCall in Control Secs.			

LONDON TRADED OPTIONS Feb. May Aug Feb May Aug Ailled Lyons 460 23 40 53 15 24 34 (*465) 500 8½ 21 33 45 48 53 160 64 12 16 92 132 16 140 14 17 19 3 7 5 140 3. 7 9 15 16 18 180 17 9 15 36 -260 20 2 3 54 24 17 22 280 10 2 25 25 31 35 220 16 28 32 5 9 11 240 7 15 21 15 18 20 260 2 6 13 33 34 36 260 2 6 13 33 34 36
240 13 161₂ 211₂ 5 13 15
260 4 61₂ 12 16 25 26
750 37 60 85 15 20 23
800 13 35 55 45 47 47
330 38 52 -- 4 10 -350 20 30 43 16 23 25
1150 105 155 200 45 78 100
1250 52 105 -- 105 135 -1250 52 105 -- 105 135 -260 13 26 15 200
25 120 75 128 165 65 105 120
1250 52 105 -- 105 135 -260 13 28 100 13 20 420 38 ¥ 62 12 22 24 460 18 3 44 53 40 43 Bass (*778] Cable & Wire (*362)
 Option
 Feb
 kin
 Srr
 Feb
 May
 Ser

 Vaal Reets
 70
 9
 11
 14
 4
 7
 10

 (**576*)
 60
 5
 1
 14
 14
 14
 15
 280 13 23 28 10 13 20 28 25 30 300 2 75 125 42 42 42 42 42 30 300 31 39 44 3 9 13 330 10 19 27 16 22 28 Amstrad 140 16 - - 5 - - (**153*) 260 5 14 20 21 16 19 | 395 | 30 | 2 | 73 | 2 | 20 | 22 | | 420 | 18 | 73 | 44 | 5 | 16 | 22 | 460 | 3 | 16 | 22 | 32 | 32 | 42 | Bardays (*418) 300 23 31 39 7 13 16 330 7 13 22 21 29 31 8/ue Circle (°431) 420 37 44 58 4 12 16 454 16 24 - 18 27 -950 52 72 97 17 37 42 1000 23 42 72 40 50 67 140 9. 17 22 2 9 12 160 11₂ 8 12 18 20 23 Grand Met. (*446) Olxons (*144 | 260 17¹2 24 36 8¹2 15 22 255 6 14 26 19 27 31 (*259) 280 b 2: 13 5 11 12 (*259) 280 D 2 6 13 22 22 24 Cosrbo 360 36 1 3 9 25 36 54 54 55 280 32 36 - 3 6 300 14 22 28 10 15 330 4 10 15 34 34 260 33 42 - 4¹₂ 8 280 19 32 37 12 15
 Option
 Jan.
 1/ 3: Je1 | Jan | Atar.
 Jan

 British Gas (*157 | 160 | 33, 22 | 13:)
 15 | 15 | 24 | 234

 C157 | 160 | 33, 22 | 13:)
 2 | 13:)
 7 | 14 | 8 | 9
 240 ... - 42 ... - 25 255 10 28 ... - 19 28 ... - 35 | Jan Apr Aug Jan Apr Aug | Jan Apr Aug | 140 37 39 - 1 2 - 160 19 21 27 3½ 6 10 180 7 11 16 11½ 17 19
 Option
 Oer.
 IJy
 Jol.
 2et
 Mar.
 Jol.

 Beecham (*451)
 420
 37
 51
 60
 1½
 1½
 14

 (*451)
 460
 9
 52
 43
 15
 23
 29

 Unileyer (*442)
 460
 6
 22
 51
 3
 9
 14

 (*442)
 460
 6
 22
 34
 21
 29
 33

 Option
 Jan
 Apr
 Jua
 Jan
 Apr
 Jua
 Jan
 Apr
 Jua
 Jan
 Apr
 Jua
 Jua< Option | Nov Feb | May | Nov Feb | May | Conv. 91₉% 2005 | 98 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 500 25 40 30 30 00 07 500 73 83 - 33½ 7 27 550 12 42 53 13 22 27 600 13 20 28 48 55 57 200 20 27 31 5 8 10 220 20 15 19 13 16 20

To the Holders of

MCorp and MCorp Financial, Inc. Floating Rate Subordinated Capital Notes Due 199

NOTICE OF DEFAULT NOTICE OF NOTEHOLDERS MEETING 16 A.M. December 20, 1988 orers Hanover Trust Company 270 Park Avenue 11th Floor, Conference Room 3 New York, New York Cusio 55267M AH 6 ISIN US 55267M AH 6 2

On November 16, 1988, MCorp and MCorp Financial, Isc. (collectively, the "Compani-failed to pay the installment of interest due and payable on that date in the holders of the Fleating Rate Sebordinated Capital Notes Due (1997 (the "Notes").

In a press release dated October 24, 1988, MCorp announced that his beard of directors it declared a monatorium on the payment of principal and interest on all parcet compa-public and privately placed indebtedness for borrowed money, netwing the Notes.

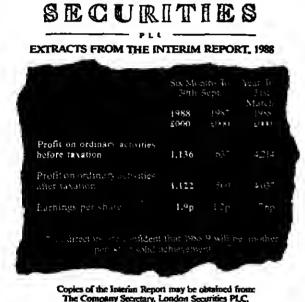
Under Section 503 of the Indenture, dated as of November 14, 1985, between the Com-siss and Manufacturers Hanover Trust Company, as Trustee (the "Indenture"), pursuass which the Notes were leased, unless the Company, as Trustee (the "Indenture"), pursuass 30-day grace period allowed by the Indenture, the Trustee may institute a judicial proce-ior for cellection.

oteholders and to answer their questions. Copies of the Indenture may be examined at our 600 Fifth Avance offices, 10th Flow aring normal business hours by holders of the Notes and their authorized designees. In thi

For additional information, please contact William B. Dodge, Assistant Vice Pre (212) 967-1151 or by mail at Manufacturery Hanover Trust Company, 600 Fifth Ave York, New York 10020, Atta: Corporate Trust Department.

Manufacturers Hanover Brust Company, as Trustee under the Industrie of MCorp 2nd MCorp Pinancial, Inc. dated as of November 14, 1965





Copies of the Interim Report may be obtained from The Company Secretary, London Securities PLC, 401, St. John Street, London EC1V 4LH. Tel (0344) 885444 Ta. 846830 MILLIRIG Fax (0344) 886820

UK COMPANY NEWS

Hambros up 5% despite fall in banking profit

Embassy Property for USM

holding company to acquire property development and con-struction companies previously owned by two of the present

directors. Mr Roger Holbeche, chairman and managing direc-tor, and Mr Michael Cleveley,

deputy managing director.
In the three years 1986 to
1988, turnover has increased
from £1.6m to £12.2m and pre-

tax profits from £83,000 to

is involved in commercial and residential property development, retail construction and shopfitting, and property and construction/shopfitting will be used to improve the sectors have seen a gradual size and quality of its commercial and construction shopfitting will be used to improve the sectors have seen a gradual size and quality of its commercial and construction shopfitting will be used to improve the sectors have seen a gradual size and quality of its commercial and construction and shopfitting will be used to improve the sectors have seen a gradual size and quality of its commercial and construction and shopfitting will be used to improve the sectors have seen a gradual size and quality of its commercial and construction and shopfitting will be used to improve the sectors have seen a gradual size and quality of its comment.

ers and pot plants to every major wholesale flower market in the UK, to some larger retail florists which act as secondary

wholesalers, and to several

supermarket groups, including Marks and Spencer and Asda. It also distributes the bulk of Spanish flower imports and flowers from Holland, Colum-

bia, Kenya and Israel. Mr Philip Meeson, chairman

and managing director, bought

Channel Express £2m placing

By David Lascelles, Banking Editor

HAMBROS, merchant banking and financial services group, increased its profits by 5 per cent at the interim stage. All of the improvement came from

outside banking.

Pre-tax profits for the six months to September 30 were 538.6m, up from £36.6m. The after-tax result rose from atter-tax result rose from £20.9m to £21.1m. The dividend is raised by 10 per cent to 3.2p. Mr Charles Hambro, chairman, said "These results demonstrate the benefits of our strategy of balanced expansion, although they reflect slower expect his some areas than we growth in some areas than we

ISSUE NEWS

By Flona Thompson

EMBASSY PROPERTY Group is joining the Unlisted Securi-

ties Market, via a placing valuing the company at \$14.5m.
Neilson Milnes and JS Gadd are placing 2.63m shares, repre-

are placing 2.63m shares, representing 34.4 per cent of the enlarged capital, at 190p. All the shares are new, and will raise £4.5m for the company.

Embassy, with offices in Bir mingham and central London, is involved in commercial and peridential property develop.

CHANNEL EXPRESS, the company which flies and far-ries 95 per cent of the Channel Islands' flowers to mainland

Britain, is to join the Unlisted Securities Market, writes Fiona

McCaughan Dyson Capel Cure is to place 2.86m shares, representing 25 per cent of the

enlarged equity, at 70p, which values the company at £8m.

Channel distributes cut flow-

non-banking activities, said there had been a sharp fall-off in activity in recent months because of the rise in interest rates, which had forced the group to lay off a number of people at Bairstow Eves.

Total house sales for the year are now projected to reach 70,000, down from the 74,000 originally forecast. Although Hambros did not subscribe to the view that house prices were about to suf-The bulk of the profits came from non-banking activities, which include estate agency, insurance broking and investhouse prices were about to suf-fer a sharp fall, it had reduced its sales projections for next ments. These amounted to 227m, up from £21.9m. There was a particularly year, though to what level Mr

strong performance from Ham-bro Countrywide, its 51 per cent-owned estate agency subsidiary which earned £14.3m, up from £10.7m, thanks to the strength of the housing market all through the summer.

However, Mr Christopher
Sporborg, who is in charge of
non-banking activities, said

year.

Hambros earned £17.5m from hanking, down 11 per cent on last year's £19.7m. Mr Chips Keswick, managing director of banking, said results had been affected by a number of conflicting factors. Margins had remained intensely connectifive

Sporborg would not disclose.
Linked to this business is
Hambros new life insurance sempros new life insurance venture with the Guardian Royal Exchange, which is selling policies to about 45 per cent of the group's bouse-buying clients. Mr Sporborg said he expected financial services to account for half of the estate agency business' profits next

remained intensely competitive despite his expectation that the recent international agreement on bank capital would force hanks to be less aggressive. Hambros had reined in the

has reported the dramatic rise,

a £5,000 loss in 1987 to a £1m

On the residential side, the

group builds homes in the West Midlands, concentrating

on detached houses in prime locations in the £100,000 to

£200,000 range.
Of the £4.5m the placing will raise, £1.25m will be used to repay borrowings. The balance will be used to improve the

the company in 1983 and soon

after implemented a policy of apprading distribution and

npgrading distribution and freight services.

Of the 2.86m shares being placed, half are being sold by Mr Meeson, and half are new shares which will raise £760,000 for the company. This will be used for expansion and acquisitions "such as a regional

tions, "such as a regional flower distribution company,"

said Mr Meeson.
Pre-tax profits have grown from £395,000 in 1985 to 5769,000 in 1988, on sales up from £4.12m to £8.08m. The directors forecast that pre-tax profits for the year to March 31 1989 will be not less than \$1.08m. The directors forecast that pre-tax profits for the year to March 31 1989 will be not less than \$1.08m. Organizing a pressure.

Kromagraphic

London-based computer graphics and photographic reproduc-tion house, is coming to the Third Market via a placing

which values the company at 11.8m, writes Fiona Thompson.

pany. This will be used to eliminate borrowings, fund additional capital investment and accelerate a meve to larger

As the cumpany meets the requirements of the Business Expansion Scheme, investors who hold their shares for five

years will get tax relief.

In the year ended March 31,
1966 the group reported a pretax profit of £100,748 on sales of
£1.29m. In the six mouths to
September 39 1968 it made pre-

tax profits of £99,461 on turn-over of £991,877. Kromographic provides a

complete range of services in commercial applications for electronic image processing, audio-visual and presentation graphic design, technical illustration and high quality photographic reproduction.

It services about 300 customers, none accounting for more than 5 per cent of turnover.

REPUBLIC OF INDONESIA US \$200,000,000 Floating Rate Note due 1992

In accordance with the provisions of the Notes, notice is hereby given that the rate of interest for the period from 30th November, 1988 to 31st May, 1989 has been fixed at 9.75

May, 1989 has been fixed at 9.75 per cent per ennum.
On the 31st May, 1989 interest of US \$482.92 per US \$10,000 nominal amount of the Notes and interest of US \$12,322.92 per US \$250,000 nominal amount of the Notes will be due against Interest Coupon No. 14.
SBCI
Swiss Benix Corporations investment beniding Led
Reference Agent

Stockbroker Raphael, Zorn is placing 3.05m shares at 10p. The placing, of all new shares, will raise \$180.750 for the com-

tive p/e of 19.1-

for market

KROMAGRAPHIC,



and adopted a policy of holding readily-realisable, though low-er-yielding, assets. Treasury results were also lower. Corporate finance was very active with more than twice the business of last year. But while the specialist European mergers and acquisitions operation was seeing an encouraging flow of business in advance of 1992, it was likely to ret

a cost centre for another two years, Mr Keswick said. growth of its balance sheet,

Fairey closes below cial development side which offer price especially in the past year, boosting its contribution from

SHARES in Fairey finished at a small discount to the offer price when dealings closed yesterday. The shares, having briefly touched 157p, closed at 154p, 1p below the offer price. Fairey's offer was 2.7 times subscribed but since the amouncement of allocatious, the nuclet has been buffeted by the trade figures and the rise in base rates. Nevertheless, the unanthusiastic reception to the shares on first day dealings is a discouraging

dealings is a discouraging onen for British Steel.

At the offer price, Fairey was capitalised at 251.2m.

American Distributors raising £3m By Clare Pearson

USM-quoted : American Distributers, previously known as Sapphire Petroleum, is raising 22m through an open offer and placing to back up its expansion in tobaccount food distribution in the

studio operator, is launching a one-for-one rights issue to raise £3.56m, in order to estab-Sharehelders are being offered 142.5m shares at 2½p each. Yesterday the shares opened at 3¼p, and fell ½p by

the close.

Swanyard, which joined the Third Market last December, also unnounced pre-tax profits for the first half of 1968 of

Bostrom details

Bostrom, the commercial vehicle senting manufacturer, has confirmed the details of its Hotstices on the main market. Robert Fleming is placing just under 4m shares at 135p each giving the group a market cap-italisation at £15.5m.

Chloride unveils 24% rise to £7.7m

CHLORIDE GROUP, the battery and power supply com-pany which yesterday announced it was discussing the possible sale of its European automotive battery opera-tion, increased pre-tax profits by 24 per cent to £7.7m in the six months to September 30

Turnover rose from £135.7m to £155.9m and earnings per to £155.9m and earnings per share from 1p to 1.2p. The prof-its included an exceptional gain of £900,000 (£100,000) on the sale and leaseback of cer-tain properties, offset by redundancy costs. Mr Peter Reguler, group-freque director, said the supp-

Mr Peter Regnler, groupfinance director, said the automotive division—which,
includes the battery operation—
contributed about 32 per
cent of first half sales, against
39 per cent last time.
Industrial batteries
accounted for 37 per cent (35
per cent), and electronics for 26
per cent (18 per cent) with the
balance coming from Chloride's miscellaneous plastics,
metals and engineering businesses.

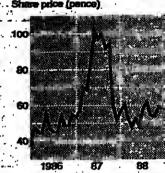
Mr Regnier added that the sale of the automotive battery division — trading principally as Eride would alter the balance of the group, with the industrial batteries division increasing its contribution to sales to about 45 or 50 per cent.

The company, which also announced that Mr Ray Horrocks would succeed Sir Michael Edwardes as non-executive chairman, declared an interim dividend of 0.55p (0.5p) per

O COMMENT To the relief of the City, Chloride looks like releasing itself from the millstone of automofrom the infilstone of automo-tive battery losses. The move has always seemed a likely option for the group, but it was no less welcome for that. Nor is it just Chloride's image which would improve were the sale to go ahead. Less superfi-cial effects of the planned dis-posal would include lower bor-rowings and working capital posal would incline lower for-rowings and working capital savings, and a reduction in the seasonality of the group's results. Despite the good news and the highly respectable results, the shares came down results, the shares came down in to 58p yesterday and analysts are staying with forecasts of shout £24m for the full-year. This puts the shares on a prospective p/e of about 12, a fairly high price, but one which could still react positively to the emergence of a definite buyer for the troubled battery operation.

Chloride Group

battery operation.



Higher margin sales help lift Asprey to over £8m

By Maggie Urry

ASPREY, USM-quoted jeweffer rise in profit margins reflected art - and antique dealer, an increase in larger one off sales, which make a higher cent increase to £8.11m in pretax profits for the six months to end-September. Sales rose 3.3 per cent to £30.55m.

Asprey said it was confident that results for the full year would be "satisfactory". Lastyear if reported pre-tax profits of £16m and brokers are

the group's cash from higher interest rates The group has operations in New York and Geneva, but Mr. Harrington said exchange rate movements had not affected

profits significantly. Barnings per share rose to 10.15p (9.75p) after a higher tax rate. The interim dividend is looking for film this year. 10.150 (9.73p) after a Mr. Nicholas Harrington, rate. The interim d financial controller, said the up 1.35p (1.25p),

T&N to pay £9.3m for Supermet.

and food distribution in the US. It has its arranged a seam (£14.13m) line of credit. The group is further propositing to company the company of the current of the current facture of valve train composition is in the current of the

Supermet, which makes metal products for a range of

year. The consideration is in

Kelt increases Carless holding to 11.4%

By Nikki Talt

KELT ENERGY, which is weging a 2200m bid for Carless, the larger oil independent, contimes to pick up shares in its

target. Its advisers, Henry Ansbacher, restenday announced, week, when Keli's stake stood that they had acquired a fur at 10.5 per cent, the company ther Lim shares - taking the stake held by the merchant

This gives Kelt beneficial ownership of 15.2m shares, representing about 8.46 per cent of

Hubert Perrodo, owns a further 2.15 per cent. This takes the Kelt camp's combined holding to about 11.44 per cent. At the first closing date last

per cent of its target - although this included a small number of shares (1.37 per cent of the equity) for which valid cover had not

The state of the s

TRANSACTIC

FINANCE EXPERIENC

COULD

31 HAS MORE IN-DEPTH knowledge of providing mezzanine finance than any other UK organisation

We've participated in transactions totalling nearly £1 billion. And invested over £110 million in recent deals through our City Office alone.

What's more, there is no shortage of funds.

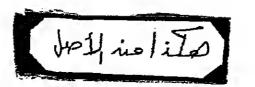
Some of the mezzanine investments have been held wholly by 31, others have been underwritten by 31 and then syndicated with other institutions This is a specialist field requiring the sophisticated treatment that 3i, with its financial engineering skills and understanding of risk minimisation, can readily provide

Whether you're responsible for a major acquisition, management buy-out or any other leveraged transaction where mezzanine finance is required, talk to Alan Walker at 3i. You'll find him on 01 928 7822, or by writing to 3i pla 91 Waterloo Road, London SEI 8XP

NOTICE OF REDEMPTION The City of Osio 10%% External Bonds Due 1990 dehed is the Pinencial Time 90H3 NO. 290 should read 396. BOND NO. 2857 should read 2574

Union Bank of Norway Kirkelet 1476, 0153 Oule's Norway

This advertisement is issued in compliance with the requirements of the Council of the Stock Exchange. It does not constitute an invitation to any person to subscribe for or purchase shares. Application has been made to the Council of The Stock Exchange for the whole of the ordinary share capital of Bostrom pic, issued and to be issued, to be admitted to the Official List. Dealings are expected to commence on 6th December, 1908. Bostrom pic The listing particulars relating to the Company are available in the statis services of Extel Financial Limited and copies may be obtained during normal of hours up to and including 14th December, 1986 from: Secondary Distribu Robert Fleming & Co. Limited Albert E. Sherp & Co Edeund House 12 Navhall Street



UK COMPANY NEWS

Allied-Lyons meets City forecasts with 16% profit rise to £229m

ALLIED-LYONS, the beer, wines and food group in which Bond Corporation holds a 10.8 per csnt etake, yssterday reported a 16% rise in pre-tax profits to £229m for the 28 weeks to September 17.

The results were in line with market forecasts. The share vide eleged at 4550 down 19.

price closed at 465p, down 1p.
Earnings per share improved
by 19 per cent to 19.8p (16.6p)
and an interim dividend of 5p per share will be paid, an increase of 149 per cent.
Sir Derrick Holden-Brown, Allied's chairman, said all three divisions had made good

Trading profit of the beer and retailing division rose 16 per cent from £36m to £111m. Sir Deartck said beer volumes had increased slightly, to about 14 per cent of the UK market, with low-cost production, major brands and improvements in retailing contributing to profits growth. Investment

er £8m

· Suree

aries

F--

DIVIDENDS ANNOUNCED

Dividends shown pence per share net except where otherwise sta

BOARD MEETINGS

Porter, Moustein, Rollin & No.

& C Smeller Co's. termony Leisters aermonth & Burths

in retailing was a major priority, said Sir Derrick, and continued to provide the most rapid stimulus to profits.

Allied brews Castlemaine XXXX and Swan lager under licence from Bond Corporation and holds the franchise for Castlemaine in Fauchise

Sir Derrick said Bond Corpo-ration would "dearly love" to acquire Allied if it had the resources. He said talks between himself and Mr Alan Bond over a joint operation in Europe had been terminated. Mr Bond is understood to have had more aggressive plans for development of the Castlemaine brand than Allied.

The wines and spirits divi-sion, which includes Hiram Walker, reported a 9 per cent increase from £113m to £123m.
Brands including Ballantine's
and Canadian Club performed
well. A new joint distribution
venture with Suntory, the Jap-



Sir Derrick Holden-Brown:

anese group, begins in Febru-ary and Allied expects that the new tax regime in Japan will improve sales of imported whiskles there. J Lyons, the food division produced a trading profit of £48m, a 12 per cent increase from £48m, with the strongest contributions from the Euro-pean and North American food operations and the services and leisure husinesses in the

J Lyons is in discussions with Suntory about its possible distribution of foods such as tea, biscuits and ice cream in

Sir Derrick said Allied-Lyons awaited with interest the Monopolies Commission inves-tigation into the hrewing industry. He declined to comment on which way Allied might jump should the investigation force a hreak up of the vertically integrated industry. Sir Derrick, who retires shortly as chief executive, said 70 per cent of the beer division's profits came from retailing. See Lex

Maxwell groups in US and London purchases

By Clare Pearson

MACMILLAN, the US publisher recently acquired by Maxwell Communications Corporation after a hard-fought battle, is buying BRS Informa-tion Technologies, a New York

database concern. Meanwhile, Mr Robert Max-well's other listed vehicle, Pergamon AGB, is acquiring London-based Stanley Davis Company Services, which is involved in company searches and formation, for £3.75m in

BRS, which is being bought from Thyssen-Bornemisza Group, will add services for customers in the fields of medicine, social science and busi-ness to Maxwell Communication's existing US online information business - Perga-mon ORBIT Infoline. This mainly provides information for scientists. The consideration for BRS was not revealed

Stanley Davis, which is used mainly by accountants and lawyers, ties in with the activities of Pergamon's Oyez Ser-vices Group. After the purchase, Mr Stanley Davis will assume responsibility for all Pergamon's company informa-tion and agency services. Stanley Davis made £297,000

pre-tax on £2.96m turnover in the year to end-May. Mr Maxwell earlier this month paid \$2.5bn for Macmillan in a move that swiftly followed his \$750m purchase of the bulk of Dun and Brad-street's Official Airlines Guide. He shortly afterwards were arranging talks to dis-amounced plans to dispose of most of his interest in BPCC. hined group.

The transformed Warringtons has made pre-tax profits of 2530,000 for the nine months ended September 30 1988, and is returning to dividends with a payment of 1p.

months ended December 31 reduced to £103,000 on a restated basis.

PLM wins £54.5m battle for Redfearn

By Philip Coggan

PLM, the Swedish packaging group, yesterday clinched vic-tory in its £54.5m bid battle for Redfearn, the UK glass

sary validation.

PLM's victory, which was achieved by the first closing date, was remarkably swift. Redfearn had dismissed its

Two developments swung victory PLM's way. First, OVS, an Australian investment com-

under which OVS offered its stake for sale at 520p per

Secondly, the unrelated Mr John Pratt and his family owned a stake of 12.2 per cen owned a stake of 12.2 per cent. PLM's announcement of acceptances yesterday came shortly after a statement from Redfearn which said that current year pre-tax profits were sharply ahead of budget and which forecast a 25 per cent increase in full year dividends. But the forecast came too But the forecast came too late to save Redfearn and yes-terday, the two companies

Revamped Warringtons at £0.6m

This is the first year of profits since 1983. For the 12

manufacturing and flexible manufacturing and flexible packaging group.

The Swedish company acquired a 1.7 per cent stake in the market yesterday, which added to its 48.4 per

to ver the 50 per cent mark.

PLM has also received acceptances in respect of 1.3 per cent of Redfearn's equity, which are awaiting the necessary validation.

545p per share offer as a "sighting shot."

pany controlled by Mr Dick Pratt, accepted the offer in respect of its 29.99 per cent stake. That followed a tender offer,

At the end of June the com pany set the seal on its tranformation to a property developer with a series of acquisitions which almost tripled its size, In the largest deal it bought the

property activities of Alfred McAlpine, and the latter took 45 per cent of Warringtons. Tax took £260,000 (restated £45,000) and extraordinary charges £359,000 (nil).

All-round growth as Readicut shows 28% advance to £6.7m

READICUT INTERNATIONAL, specialist textiles group, yesterday announced a 28 per cent increase in pre-tax profits from £5.21m to £6.67m in the half year to September 30 on sales up from £51.69m to £96.22m. Readicut The furnishings and house-hold textiles division saw sales rise to £40m (£36m). Firth Furmishings, which makes car car-pets, benefited from the rapid rise in car sales during the summer. Regal Rugs fared well in the US and is now increasing capacity at its South Caro-lina plant to keep pace with

The bnoyant state of the contract and consumer carpet markets in both the UK and the US fuelled an increase in carpet sales to £22m (£20m). Mr Alan Dodman, managing direc-tor, said that, so far, there had been no sign that increased interest rates had depressed demand for consumer carpets

in the UK. Readicut's spinning activities also benefited from the buoyancy of the UK carpet market. Sales from fibres increased to £31m (£25m). The only weak area of activity was Stonehouse which suffered from the problems of its customers in the east Midlands knitwear industry.

acquisitions to expand estab-lished activities. **COMMENT**

The days when Readicut was an ailing rug kits company are far, far away. The group is now give year of profits growth and rug kits are relegated to the cant intervent. In the intervent interest. In the intervent of state of a small, and insignifing years it has staged a series ing years it has staged a series of small acquisitions in the specialist sectors, that are less exposed to the intensely competitive conditions oow threatening so many other appears. ening so many other areas of textiles. Its consumer carpet companies, for example, con-centrate on the middle market niches which are less vulnera-ble to sudden swings in con-sumer spending. While fibres should be buoyed by the installation of a new polypropylene plant. The City expects 8n increase in profits to £17m, putting the shares up 3p to em vectories on a prospec-67p yesterday — on a prospec-tive ple of 8. So far Readicut has been rather too motley an assortment of interests for the City's taste and its share price

Readicut recently expanded its umbrellas interests with the acquisition of Fox. acquisition of Fox.

Earnings per share rose to
3.2p (2.61p) and the interim dividend is lifted to 0.57p (0.38p).

Mr Dodman said that Readicut was intent upon securing has been somewhat pedestrian. It remains to be seen whether a display of its steady, defen-sive qualities will prove any more appealing. further organic growth, but was also interested in strategic

London Shop comes under fire from Peel

PEEL HOLDINGS yesterday urged shareholders in Loodon Shop to accept its £269m takeover offer because of what it claimed was the target com-pany's below average growth in rental income and net asset

Peel also accused London Shop of having missed development opportunities offered by

its property portfolio.
The allegations, contained in Peel's formal document for the hostile 300p cash bid launched last week, were rejected by Mr John Bushell, London Shop chairman and chief executive.

Peel contrasted the 77 per cent growth in London Shop's gross rental income over the four years to May with the 109 per cent rise in secondary

retail rents and 135 per cent rise in retail rents in South-

period. Mr Bushell said this compar ison confused rents with income and did not reflect increases which would coms through under five-year rent

East England over the same

The industrial products divi-

sion was reinforced by the first full contribution from Hoy-

land, umbrelle frame maker, and saw sales rise to £12.5m

reviews. He also said Peel's comparison of London Shop's 66.9 per cent growth in asset value over four years with an overall figure of 87.7 per cent for the retail sector was premature. Healey & Baker was undertak ing a group-wide valuation of the properties at November 30, the first external valuation

since March 1986. London Shop shares closed unchanged at 303p.

Cadbury lifts Australian offshoot bid By Clay Harris

cadbury Schweppes. confettionery sod drinks group, yesterday raised its hid for the 30.3 per ceot minority in its Australian subsidiary and won board approval for terms which value Cadbury Schweppes Anstralia at A\$1.3m (£616m).

The offer has also been cleared by the Australian Gov-

Cadbury's cash terms of A\$4.25 per CSA share were 9 per cent higher than the previ-tus offer, announced on Octo-ber 24 CSA shareholders will be able to elect for an all-paper cotton (2) Coelbury for option (2) Cadbury for every 33 CSA) or cash-and-shares (A\$10.90 plus one Cadhury share for four CSA shares).

HAMBROS PLC GROUP INTERIM RESULTS

Half-year ended 30th September 1988 1987 £ million £ million OPERATING PROFIT **-BEFORE TAXATION AND** 36.6 38.6 **MINORITIES** - AFTER TAXATION AND 21.0 MINORITIES 21.0 EARNINGS PER 20p SHARE 13.5p 13.1p INTERIM DIVIDEND PER 20p SHARE 3.0p 3.3p

- ☐ Profits and interim dividend increased, reflecting the benefits of the Group's strategy of balanced and diversified expansion.
- ☐ Hambro Guardian Assurance successfully launched to sell insurance products for and through Hambro Countrywide.
- ☐ Hambros' role in the Australian dollar Eurobond market will be complemented by expansion into issuing and trading bonds in the domestic Australian market.



"These good results owe much to the success of our established brands."

(Extracts from the Chairman's Interim Report to Sha

Pre-Tax Profit		Earnings per Share		Dividends per Share	
1988/9 £229m	1987/8 £197m	1988/9 19.8p	1987/8 16.6p	1988/9 5.00p	1987/8 4.35p
Up 1	6.2%	Up 1	9.3%	Up 1	4.9%

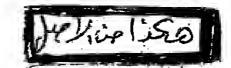
28 weeks to 17th September 1988

"All three divisions made good progress. In the beer division, low cost production, major brands and considerable success in retailing all contributed to strong profits growth.

Hiram Walker-Allied Vintners, which increased profits from an exceptionally strong first half last year, benefited from its increasingly complete integration and its brand performance was good.

Results from the food division benefited as before from success in the marketplace backed by efficient production?





This edvertisement is issued in compliance with the Regulations of the Council of The International Stock Exchange of the United Kingdom and the Republic of Iroland Limited i The Stock Exchange"). It does not constitute an invitation to any person to subscribe for or purchase any shares. Application has been made to The Council of The Stock Exchange for the grant of permission to deal in the Company's Ordinary shares, issued and to be issued, on the Unlisted Somnites Market and, subject to completion of the Placing, dealings are expected to commonce therein on 18th December 1988. It is emphasized that no application has been made for such Ordinary shares to be admitted to listing.



EMBASSY PROPERTY GROUP PLC (Registered in England and Wales under the Companies Act 1965 - No. 1997608

Placing by **NEILSON MILNES LIMITED**

J. S. GADD & CO. LIMITED of 2,631,579 Ordinary shares of 10p each at 190p per share payable in full on application

SHARE CAPITAL

Authorised £1,000,000

Ordinary shares of 10p each

Issued and to be issued fully paid £764,189

The Placing has not been underwritten by J. S. Gadd & Co. Limited or Nellson Milnes Limited and no allotment of any Ordinary shares now being placed will be made unless forms of acceptance from places are received in respect of not less than 2,631,579 Ordinary shares by no later than 6.00 p.m.

The Embassy Group is engaged in commercial and residential property development, construction, shopfitting and property investment, principally in the Midlends and the South of England.

Ramsey Crookall & Co. will be placing 657,895 of the Ordinary shares in their role as second

Full particulars of Embassy Property Group PLC are available through the Extel Unlisted Securities Market Service. Copies of the Prospectus and Extel cards can be obtained from the Company during normal business hours on any weekday (Seturdays excepted) up to and including 14th December.

Neilson Milnes Limited Martins Buildings Water Street Liverpool L2 3UF

J. S. Gadd & Co. Limited 45 Bloomsbury Square London WC1A 2RA

Douglas Isle of Man

Embassy Property Group PLC 117 Piccadilly London W1V 9FS

Ramsey Crookall & Co. 25 Athol Street

30th November 1988

This advertisement is insued in compliance with the requirements of the Council of the International Stock Exchange, it does not constitute an invitation to the public to subscribe for or purchase my securities.

KROMAGRAPHIC pk

(Registered in England No 1955975)

Share Capital

Letterd and to be imped

There are also in issue 912,500 Warrants to subscribe for Ordinary Shares of 5p each, Each Warrant entiries the holder to subscribe for one such Ordinary Share at a price of 25p on 31st July, 1989 or 1990.

Introduction who Third Market spor RAPHAEL, ZORN

plication has been under to the Council of the International Stock Exchange for the grant of permission to deal in the issued share capital and waterus of Kromagraphic on the Third Market. It is emphased that no application has been pragraphic's securities to be admitted to the Official List or to be dealt in on the Unlisted Securities Market. Particulars relating to Knowngraphic have been circulated in the Eatel statistical service and copies of such page

Raphael, Zorn 10 Throgmorton Av London EC2N 2DP

United Trust & Credit PLC

This advertisement is issued in compliance with the regulations of the Council of The International Stock Exchange of the United (Ringdom and the Republic of Ireland Limited ("The Stock Exchange"). Application has been made to the Council of The Stock Exchange for the grant of permission to deal in the undermentioned securities of Channel Express Group pic in the United Securities Market. It is emphasized that no application has been made for these securities to be admitted to listing and that this advertisement does not continue an often or invitation to any person to subscribe for or to purchase securities. It is expected that dealings will continue on 5th December, 1905.



CHANNEL EXPRESS GROUP pic

Placing of 2,857,142 Ordinary Shares of 10p each at 70p per share

McCaughan Dyson Capel Cure (UK) Limited

Share Capital

issued and now

Authorised £1,500,000

in Ordinary Shares of 10p each

being issued fully paid £1,142,857,10

Channel Express Group pic is the holding company of a distribution group specialising in handling and forwarding flowers. Its primary business activities are flower distribution and freighter aircraft operations.

Full particulars of the Company are available through the Extel Unlisted Securities Market Service and copies of the Prospectus may be obtained during normal business hours up to and including 14th December, 1968 from:

McCaughan Dyson Capel Cure 65 Holborn Visdact London ECIA 2EU lephone: 01-236 5101

ANZ Beniding Group (Chernel Idende) Ltd St Julian's Court, St Julian's Austud St Peter Port, Guermey, Chernel Idende Telephone: (9481) 28771

Members ANZ Group 30th November, 1988

Interest Rate Change

Allied Irish Banks plc announces that with effect from close of business on 29th November 1988, its Base Rate was increased from 12% to 13% p.a.



- Britain, Belmont Road, Uxbridge, Middlesex UBS ISA, Tel. (0895) 72222 and branches throughout the country

UK COMPANY NEWS

Chamberlain Phipps rises to £3.9m Fairline

CHAMBERLAIN PHIPPS, the shoe components and speciality chemicals group, increased pre-tax profits by 16 per cent from \$3.37m to \$3.8m in the first half of the year, despite the slump in the UK shoe industry.

For the past year the indus-

try has suffered severely from a sudden surge of low cost imports: fuelled hy the strength of sterling. The women's shoe trade has been particularly badly affected. Mr David Chamberlain,

chairman and chief executive, described it as a "difficult year" for UK shoe components. Chamberlain had "bucked the trend" by gaining market share and developing new products. It had also benefited from investment in its special-ity chemicals interests.

ROBERTSON GROUP, which .

provides a comprehensive

range of services to the natural resources industry, saw tax-able profit for the half-year to September 30 fall from £3.17m

However, the dividend payment is lifted from 0.9p to 1.1p

The group decided not to

make any disposals of mineral venture assets in the half-year

because of generally depressed market conditions. In the same

six months of 1987 these con-

tributed income of £1.26m, mainly from the sale of shares

in the Greenwich Resources

per share.

In the six months to September 30, turnover rose to \$2.64m (£58.7m) and operating profits to £4.57m (£3.98m). Chamberlain paid £677,000 (£608,000) in interest on gearing of 43 per cent. Earnings per share rose to 6.15p (5.4p). The interim dividend is 1.6p (1.4p). The UK shoe components division saw sales slip to 116.47m (£16.64m) and profits to £1.51m (£1.6.64m). Chamberlain has diversified into heel making by buying F.D. Ward and is accelerating expansion into new areas, such as sports central decay, such as sports central decay, such as sports of the control of the c

tre floors and safety surfaces.
The overseas shoe componeots interests mustered an increase in sales to £12.05m (£10.89m) and profits to £1.09m (£797,000). An operation was opened in Taiwan.

Speciality chemicals in the

from nil following the acquisi-tion of interests in four organi-

ation of inversis in four organisations during 1968 for a total of £1.6m, and the mining finance division invested £500,000 in a 4 per cent interest in Anglesey Mining, the company which hopes to restart

polymetalic mining at Parys Mountain on the Island of Anglesey, North Wales.

executive, said there might be some disposals of mineral

In the longer term the group was re-examining the possibil-

ity of a flotation on the Torouto Stock Exchange for

American Gold, a company in

gold mining company and from the disposal of some mineral properties in the US.

Robertson's debt rose to 22m ing a separate quotation for.

sets in the second half.

Mr Roy Bichan, the chief

Halfway downturn at Robertson Group

UK benefited from the installation of a fourth coatings line and from the completion of the and from the completion of the merger between the two adhesives plants in Newcastle. Sales rose to £24.4m (£21.2m) and profits to £1.58m (£1.19m). Overseas, chemicals encountered difficulties in the US and the color of the contract of the color of haly. Sales alipped to \$8.52m (\$8.98m) and profits to \$258,000 (\$335,000). Mr Chamberlain said these problems were "short term" and would be

swiftly resolved. swiftly resolved.

The group's customers in the UK shoe industry were still experiencing difficulties, he said, but the situation had not deteriorated further.

• COMMENT Chamberlain Phipps began the 1980s as a company almost solely involved in supplying

the mining finance division, possibly after a suitable, com-plementary acquisition. But this might take two years, said

Mr Lionel Cook, chairman,

pointed out Robertson had come through a major acquisi-

tion programme which had diversified its activities away from petroleum — which in the

half year accounted for 48 per cent of turnover compared with 90 per cent before the pro-

gramme started - and spread the business across a much

wider geographic area.

"Priority, in the short term, will now be directed towards

consolidation of the acquisi-

their potential and profitability within the group, he added.

Robertson's turnover in the

Mr Bichan.

ers of the UK. It is now as a broadly based group with spe-ciality chemicals companies and shoe components interests overseas. The objective has been to prepare for the time when the UK shoe industry lurched into yet another cycli-cal slump. That time has now come. Given the severity of the slump, Chamberlain has fared remarkably well in protecting its position and there is no reason why it should not continue to do so in the future. Most of its efforts will be expended on improving margins in special-ity chemicals. In the meantime the City expects a respectable rise in profits to 28.5m for the full year, leaving the shares — on a prospective p/e of 10% at to move with the mar-

half-year rose from £15.02m to £19.87m and operating profit from £1.94m to £2.4m. Earnings

per shere fell from 6.9p to 5.1p.
Mr Cook said profitability in
the minerals and water divi-

sion, which contributed about 20 per cent of group turnover, was disappointing because of operating difficulties with some contracts in developing

However, all divisions were currently trading satisfactorily in spite of difficult market con-ditions, and Robertson looked

forward to the rest of the finan-

cial year with confidence. Mr Bichan said the directors

were keeping a watchful eye on the share register in view of

rumours about a possible pred-ator on the prowi for Roberts-ton — the Bond Corporation,

Lonrho and Charterhall have

all been mentioned. Institutional investors hold

more than 52 per cent of Bob-ertson's capital: Provident

Mutual has over 6 per cent and the Prudential about 5 per

cent. Kleinwort Investment

Management controls 17 per cent while directors and staff

between them own about 8 per

Interest Rate.

Interest Period

30th May 1989

components to the shoe mak-

Boats earnings jump 81%

FAIRLINE BOATS yesterday reported earnings per share ahead by 81 per cent ahead to 78.3p and the dividend is lifted 50 per cent to 13.5p for the year ended September 30 1388. Turnover was up 44 per cent to £25.37m (£17.67m), while

the pre-tax profit advanced 50 per cent to £3.68m (£2.42m). The final dividend is 9.5p. Mr Sam Newington, chair-man, said that over the past five years there had been exceptionally strong demand for the company's boats. Aided by product develop-

ments, heavy investment and stringent costs control, this had led to substantial growth. The current year had started

well, with the opening two months up on last year, but there was some concern over the rising value of the pound, higher interest rates, other costs and competition.

"That said, we have an excellent order book and we believe that we should have no difficulty in selling everything we can produce until at least autumn 1989," the chairman

Two phases of the new fac-tory at Weldon, producing smaller boats and the Fairline 43, were fully operational and construction of phase three

was making good progress.

The new Targa 27, introduced in September, was selling well. Forward orders for the Fairline 41, to be seen in January, were extremely encouraging, as were those for the 35 ft Fairline Corsica to be

Brierley/Vickers

Sir Ron Brierley, New Zealand entrepreneur, has reduced his stake in Vickers, engineering group which owns Rolls Royce Cara. IEP Securities, a member of the Brierley group of com-panies has sold 1m bringing its stake to 22.15m shares or 8.65 per cent.

COMPANY NEWS IN BRIEF

ALUMASC: The proposed acquisition of Grundy (Ted-dington) will not be referred to the Monopolies and Mergers ASSOCIATED NEWSPAPERS

Holdings: The Dally Mail and General Trust said its cash offer was now final and would not be increased. The trust said it owned, had contracted to purchase or had acceptances totalling 125.41m ANH shares (93.76 per cent). AVIS EUROPE has reached

agreement with Laing Investments (Bracknell) on a put and call option for the freehold purse of Park Gate in Bracknell for £17.75m exclusive of fit-ting-out costs. Option is exercisable between January 3 and 17 1989.

BHH has completed arrangenents for the sale of a residential site for approximately £7.3m. Total sales proceeds for the housebuilding division now over £21m, increasing pre forms net tangible assets to 107.2p per share.

BIRMINGHAM EXECUTIVE Airways: Offer from Plimsoil Line declared unconditional in all respects after acceptances in respect of 1.22m £1 shares (81.8 per cent) and 12.81m 10p shares (96.3 per cent) by the first closing data. Acceptances represent 94.8 per cent of BEA voting rights.
GEEVOR: The open offer of

new ordinary shares was taken np by shareholders as to 780,505 (19.5 per cent). The bal-ance was retained by the company's stockbrokers.
HELLENIC AND GENERAL TRUST experienced an 18 per cent fall in profits in the six months to September 30 from

fl.25m to fl.02m. Hellenic, a wholly-owned subsidiary of Hambros, is an investment holding company. Dividends and interest on credit was almost static at 2807,000, but investment gains dropped sharply to £24,000 (£453,000). LAMONT HOLDINGS subsidiary Lamont Properties to sell Stevenson House, an office block in Edinburgh, for £2.25m M&G DIVIDEND Fund: Final distribution 11.399p (9.4p) per income unit for year to November 27 1988.

NO PROBES: Trade Secretary has decided not to refer to the Monopolies Commission the proposed acquisition by Lon-don and Edinburgh Trust of Owen Owen from Ward White SIMS FOOD Group has com pleted the acquisition of J Redmond and Son for a total £1.13m in cash and shares. Redmond specialises in the supply of new and reconditioned food

has acquired 4.12 acres of land at Reading, Berkshire, for £4.85m cash. Western intends to reorganise certain retail operations so as to enhance current dealership premises, to add additional franchises and to relocate certain other operations. It said the acquisition would assist it to implement these plans.

Interest Amount per ¥10,000,000 Note due

Changes in company share stakes announced recently include:

Benlox - Dr A Marwan holds 7.23m ordinary (13.48 per cent). Guinness - has purchased im of its own stock units at 330.4p each, bringing its total pur-chases to 38.96m.

Scott's Restaurant - Breot Walker Group has disposed of

30,250 ordinary and no longer has any interest in the share capital. Mr Isidore Kerman, director of Scott's, has bought, forector of Scott's, has bought, for himself and his wife, 17,445 ordinary (3.5 per cent) at 980p each, bringing his holding to 284,957 (57 per cent). Mr N Kerman, another Scott's director, acquired 12,535 ordinary, also at 980p each, to take holding to

SHARE STAKES

34,584 (6.91 per cent). Standard Chartered - Tan Sri Khoo Teck Pust has disposed of 5.89m of rights not taken up His holding is now 11.78m (5.04 per cent). Williamson Tea - The Planta-

tion Trust has acquired 17,000 ordinary (0.74 per cent) and now holds 171,575 ordinary (7.5 per cent).

CANADA

The Financial Times proposes to publish a Survey on the above on

15th December 1988

For a full editorial synopsis and advertisement details, please contact:

Meyrick Simmonds

on 01-248-8000 ext 4540 or write to him at: Bracken House, 10 Camou Street London ECAP 4BY.

FINANCIAL TIMES

WORLD TYRE INDUSTRY

The Financial Times proposes to publish a Survey on the above on

13th December 1988

For a full editorial synopsis and advertisement details, please contact:

Colin Davies

on 01-236 1434 or write to him at: Bracken House, 10 Cannon Street Lendon EC4P 4BY.

FINANCIAL TIMES

FLY WITH ARROWS AND ENHANCE YOUR FINANCIAL FUTURE

The Industrial Bank of Japan, Limited Agent Bank

The Hokkaido

Electric Power Co., Inc.,

Japanese ren zu,bukbuu.uuu

Floating Rate Notes 1992

5.15% per annum

30th May 1989

¥255,260

30th November 1988

We are pleased to announce the launch of the ARROWS YOUNG COMPANY OF THE YEAR'

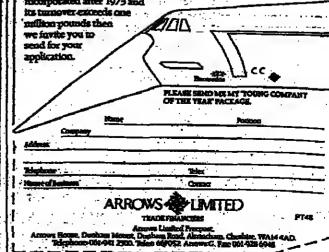
1989 AWARDS

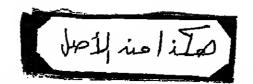
. The presentation of which will be made on May 19th 1989 at a functions to be held at the Cipriant Hotel which is set on the banks of the Grand Canal in the heart of the beautiful city of Venice. The ten finalists and their guests will be transported in the style their efforts richly deserve about the simptuous splendour of a specially chartered Concorde on what will be a memorable champagne occasion.

The winner's party will be guests of honour the following evening at a star studded gala dinner hosted at London's Tim on the Park.

ARROWS IN ACTION FORCHARITY The Astows Young Company of the Year Award will this year

benefit Samardos, supporting their projects for young people, and we plan to pussent a substantial cheque to the charity on the gala night. Do you qualify? If your company was monposated after 1973 and





UK COMPANY NEWS

Dawson up to £21m in busy period Bemrose

rline

245

DESPITE RISING raw material prices and adverse exchange rates Dawson International, the Scottish textiles group best known for its luxury woollens, increased pre-tax profits by 11 per cent from EISm to E21.1m in the first half of the year. m the first haif of the year.

Turnover rose to £179.8m
(£176.9m) in the six months to
September 30. Earnings per
share increased to 8.7p (7.7p).

An interim dividend of 2.65p
(2.4p) is declared.

Mr Ronald Miller, chairman
and chief executive, said that
the Scottish knitwear and

and chief executive, said that the Scottish knitwear and clothing companies experi-enced a "very busy half year" despite the increase in cash-mare and lambswool prices and the impact of the strong pound on exports. Sales from these companies rose to £48m (£40m).

Dawson was recently forced to increase the price of its luxury woollens by 20 to 25 per cent. As a result orders are presently lower than at the Miller, although sales from stock are still buoyant.

The combination of rising raw material prices and problems in securing cashmere supplies from China left fibre processing with static sales at £60m. Dawson also suffered from the swing against Shetland-style knitwear.

By contrast Mr Miller described the intregation of Morgan and Duofold in the US as "very successful" The US businesses increased sales to 259m (£53m), although sales rose faster — by 20 per cent — in local currencies.

Dawson has restructured its interests by weeding out weaker areas of activity, such as KSW, the loss-making hand knitting business in West Germany. The cost of closures and disposals was included in an extraordinary item of £5.8m. Earlier this month the group

announced the reorgani of its activities into four divi-



Ronald Miller:very busy half

So far Dawson has emerged comparatively unscathed from the uncomfortable combination of rising raw material prices, cashmere shortages and strengthening sterling. The immediate outlook is rather less reassuring. The group's

spinning mills already bear the burden of retailers' bearishness for 1989. The Chinese authorifor 1989. The Chinese authorities show no sign of restoring order to the chaos of the cashmere trade. And it remains to be seen whether its luxury woollies can withstand yet another price rise. Dawson has, however, enlivened its marketing by working with fashion designers lika Oscar de la Renta. It is also benefiting from the vogue for wealthy from the vogue for wealthy American matrons to change their environmentally unsound fur coats, to cashmere. The recent reorganisation - and removal of poor performers has reinforced the management structure. The group is expected to muster a modest rise in profits to 4,8m for the rise in profits to £48m for the full year. But the City's suspicions towards textiles should ensure that the shares — stable at 197p yesterday — should stay on a prospective p/e of 10. Unless, of course, Dawson becomes embroiled in yet another bout of bid rumours.

pays £7m for Henry Booth

By David Waller

BEMROSE Corporation, Derby-based specialist printer, is spending £7.1m to acquire Henry Booth, a Hull-based printing group which supplies British Rail with magnetic strip tickets, and at the same time is restructuring its US

operations.

In the ten months to the end of September, Booth made operating profits of £897,000

operating profits of £897,000 on turnover of £7.82m, and at the end of that period, net assets stood at £3.33m.

The company is being acquired for £2.35m in cash and the issue to the vendors of £2.2m new Bemrose shares. Of these, 870,000 have been conditionally placed by S.G Warburg & Co.

The restructuring of the US

The restructuring of the US The restructuring of the US operations is designed to simplify management of the businesses and reduce Bemrose's borrowings in the UK, thus paving the way for further acquisitions.

Bemrose USA, a company which supplies advertising and promotional products, will become a subsidiary of its 50

become a subsidiary of its 50 per cent associate, Bemrose Yatterton. Initial consideration will be US\$14m (2.7.6m) - \$17m in new Remrose Yatterton shares and \$3m in cash. In addition, BYI will repay to Bemrose \$4.63m of loan notes.

GrandMet

Grand Metropolitan, drinks and food group, said 85.3 per cent of shares in Pillsbury had been tendered in favour of its \$5.23bn (£2.84bn) takeover bid. GrandMet extended its \$60 per share offer until midnight New York time on Friday.

This advertisement is issued in compliance with the requirements of the Council of The International Stock Exchange of the United Kingdom and the Republic of Ireland Limited ("The Stock Exchange"). Application has been made for grant of permission to deal in the Unlisted Securities Market on The Stock Exchange in the undermentioned. The Stock Exchange in Dublin and London in the undermentioned issued and to be issued Ordinary Shares. It is emphasised that no application has been made for these securities to be admitted to listing.

CAPITAL LEASING GROUP plc

(incorporated in the Republic of Ireland under the Companies Acts 1963 to 1982, Registered Number 96157)

Capital Leasing Group provides and arranges leasing and lease purchase facilities

PLACING

DCC CORPORATE FINANCE LIMITED of 5,667,188 Ordinary Shares of IR10p each at IR44p per share

payable in full on application

Issued and to be issued fully paid

Share Capital Ordinary Shares of IR10p each

A proportion of the shares being placed is available to the public through the market until 3.30 pm on Friday 2nd December 1988. Particulars relating to the company are available in the Extel Statistical Services and copies of the Prospectus may be obtained during usual business hours up to and including 14th December 1988 from:

DCC House, Stillorgan, Blackrock, Co. Dublin.

J. & E. Davy

Authorised

IR£3.500.000

Davy House, 49 Dawson Street,

Dublin 2.

The Irish Stock Exchange 28 Anglesea Street, Dublin 2.

DCC CORPORATE FINANCE LIMITED DCC CORPORATE FINANCE LIMITED

103 Mount Street, London W1Y 5HE.

Panmure Gordon & Co. Limited 9 Moorfields Highwalk London EC2Y 9DS.

Company Announcements Office

The International Stock Exchange. 46 Finsbury Square, London EC2.

30th November 1988

Stake sale proceeds lift Premier Oilfields

DESPITE THE weaker oil price, midway net profits at Premier Consolidated Oilfields rose 35 per cent to £8.19m thanks to the sale of its stake in fellow oil independent London & Scottish Marine Oil (LASMO).

Except for a £5.13m extraordinary credit from the disposal of 1.im shares shortly after British Gas's dawn raid on LASMO in September, net prof-its for the half-year to end-Sep-tember would have been

£3.06m (£6.05m).

Mr Roland Shaw, chairman, stressed Premier had continued to operate profitably in the face of sharply lower sterling oil prices, which averaged £8.38 per barrel against £11.28 in the commarable provided. comparable period. He said: We are generating substantial cash flow, entirely adequate to support an expanding explora-

investment company, made £12.24m before tax, compared with £5.39m in the equivalent

Investment income rose from £6.29m to £12.86m, about £10.7m of which represented.

the return on B&C investments. Interest payable fell

per cent of its assets, to con-centrate on a string of opportunistic investments, from prop-

erty to special situations.

Mr Peter Buckley, Caledonia's chief executive, said

from £1.58m to £521,000. Just over a year ago Cale-donia sold its 31 per cent stake in B&C, which accounted for 80

period.

the Victor 😜

i CO

 $\sum_{i\in \mathcal{I}_{i}} \left(\sum_{j=1}^{n} \frac{1}{n} \sum_{j=$

tion programme." The company struck a confident note about the first exploration well currently being drilled in its 3,600 sq mile con-cession off the coast of Thailand. An announcement is expected within two weeks. Petrofina has a 45 per cent

interest in the area under a farm-out arrangement.
There were also indications yesterday that reports of encouraging results from BP's latest appraisal well on the Wytch Farm offshore extension, in which Premier has a 12.5 per cent interest, ware

Premier is chrrently involved in the drilling of seven wells. During the period, production from the North Sea Thistle and Deveron oilfields declined but at a slower rate than expected. Wytch Farm

increase in the gross coupon on the B&C preference shares

 from 5.75 per cent to 7.5 per
 cent — would cover the loss of income once the first tranche

was redeemed on December 31 and provide a cushion against

the risk of low initial returns on more speculative invest-

Operating profits on trading activities in the six months declined from £909,000 to

£850,000, following the disposal of Urquhart Engineering in

Earnings per share advanced to 9.4p (3.95p) and an interim dividend of 3.5p (2.5p) was

production, projected to rise to 64,000 barrels per day by the end of next year, was steady at Turnover dropped to £11.51m (£14.23m) despite a 6 per cent rise in producing rates to 7,030 (6,820) b/d: Operating profits were £4.82m (£6.73m). Earnings

per share came out at 0.79p **O COMMENT** While acknowledging that Premier's prowess at stock market dealing has become indubita-ble (the LASMO profit follows a £3.66m gain on the sale of a Tricentrol stake in the last

full-year figures), many observ-

ration from a company whose exploration record to date has been middling at best. How-ever, a few feel inclined to give the company credit for the particularly enthusiastic note it is striking at the moment about the Thailand well. On the basis of this, and the encouraging indications about both the Wytch Farm offshore and onsbore extensions, these peo-pleincline to the view the mar-ket has taken cynicism about-Premier too far and the shares, which have underperformed those of the company's peers for some time, really should be

ers continue to withhold admi



Racal Telecom Plc

Global Offering 200,791,110 Ordinary Shares

Amber Day expansion

B&C dividends boost

Caledonia Inv to £12.2m

DIVIDENDS on its holding of redemption of the £327.5m preference shares helped more instalments would provide a than double prestar profits at Caledonia Investments in the six months to September 501. He fadded that a proposed Caledonia, the Cayzer family's increase in the gross coupon

AMBER DAY Holdings, clothing manufacturer and retailer, returned profits of £503,000 pre-tax for the 53 weeks ended July 30. That was an advance of £348,000 on the preceding 60-week period.

The directors said the improvement partly reflected the steps taken in previous years to restructure the group.

They added that this took no account of the benefits which would flow from the £5.5m acquisition of Barrie Mensy (London) or the proceeds of the subsequent one for three rights

Turnover for the 53 weeks totalled 28.59m (210.03m), while earnings per share amounted to 0.95p (losses 0.72p).

declared.

National Home Loans Standard Home Loan Interest Rate With effect from 1st December, 1988, the following interest

rates will apply for existing endowment/pension loans: FOR HOUSE PURCHASE 13.75% APR 14.7% FOR REFINANCING 14.25% APR 15.2% For repayment loans add 1/4% to these rates.

A lower rate of interest is charged on ALL loans over £250,000: 13.51 - APR 14.44 Forfurtherinformation contact

The National Home Loans Corporation plc St.Catherine's Court Herbert Road Solihull, West Midlands 8913QE

Dresdner Finance B.V.

Dresdner Bank

This portion of the offering was offered in the United Kingdom

140,791,110 Ordinary Shares

NM Rothschild & Sons Limited

Goldman Sechs International Limited

Hoere Govett Corporate Finance Limited

Smith New Court Agency Limited

16,620,000 Ordinary Shares

This portion of the affaring was offered in Europe

Goldman Sachs International Limited NM Rothschild & Sons Limited

Banque Paribas Capital Markets Limited

Daiwa Europe Limited

edner Bank Aktiongesellschaft

SBCI Swiss Bank Corporation

4.338,000 American Depositary Shares Representing 43,380,000 Ordinary Shares

This portion of the offering was offered in the United States

Goldman, Sachs & Co.

The First Boston Corporation

Bear, Stearns & Co. Inc. Dillon, Reed & Co. Inc. Kidder, Peabody & Co.

Donaldson, Lufkin & Jennette Morgan Stanley & Co.

Lazard Fréres & Co. Prudential-Bache Capital Funding Smith Barney, Harris Uphan & Co.

Werthelm Schroder & Co. Amhold and S. Bleichroeder, Inc.

Wheat, First Securities, Inc.

urson Lehman Hutton Inc.

on Witter Capital Markets Alliam Blat & Company

Piper, Jaffray & Hopwood The Robinson-Humphrey Company, Inc. Smith New Court, Carl Marks Inc.

Prescott, Ball & Turber, Inc. on McKinnon Securities inc. ien Eichier, Hill Richard

Gabelli & Company Inc.

Mabon, Nugents Co.

Nordberg Capital Inc.

Volpe & Covingtor

Robert Fleming Inc. Furman Selz Meger Dietz & Birney C.J. Lawrence, Morgan Grenfell inc

Needham & Company, inc. Seldier Amdec Securities Inc. Sutro & Co.

Global Co-ordinator

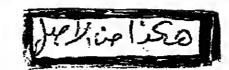
Goldman Sachs International Limited

Joint Financial Advisers

Goldman Sachs International Limited

NM Rothschild & Sons Limited

October, 1988



JOBS

Mix-up • Finance head, mentor, economist

By Michael Dixon

WAKENED by the telephone at 3am, one of the Jobs column's former colleagues was only mildly surprised to hear an American bidding him good evening. After all anyone with work interests spanning several countries is apt to receive occasional calls from overseas contacts who have miscalculated the difference in time.

But he was electrified hy what the American told him what the American told him next. It was that his sleepy voice was being broadcast live on a radio programme somewhere in the United States, whose millions of listeners urgently wanted his answer to a certain question. Feeling flattered, he tried to imagine what aspect of his journalistic specialism.

iournalistic specialism - industrial affairs - so many US citizens could be so keen to learn about. On hearing

the question, however, he gasped and hung up. It was:
Is Paul McCartney dead?
When he awoke in the daylight he decided he must have been dreaming. But he soon found otherwise. From his return home that night until he had his telephone number changed, his evening leisure bours as well as his sleap were increasingly ruined by sundry Americans ringing up, sometimes on transferred charges, wanting to know the selfsame thing.

It transpired later that the curious question about the Beatle in the night-time arose from a rumour in the US that the famous pop group had broken up because Paul McCartney had died. It was said that, although his death was being kept secret. death was being kept secret, fans could get confirmation from a London telephone number hidden on the cover of one of the Beatles' alhums. The number just happened to belong to poor Victor Keegan of the Guardian.

Which raises what may appear to he the curious question of why I have told that tale.

My reasons are twofold. The underlying one is that the story is relevant to something dozens of you readers have done in the past few days. But my prime aim is to assure a group of admirable workers in London that It

might have been worse.

A week ago they suddenly began receiving requests for a document from telephone callers who, on being told they had never heard of it, falsely accused them of working for Union Bank of Switzerland. The document turned out to be the survey of worldwide prices and pay which this column reported last Wednesday, saying it was available "free of charge from the Union Bank's WIDO

department, Banhofstrasse
45, 8021 Zurich, Switzerland;
telephone (01) 234 2434."
While that was indeed the
Zurich number the bank had
given me for inquiries, at
least 60 readers somehow
concluded it was a London
number. Why they did so. I

number. Why they did so, I can only speculate.
As they are Jobs column

readers, it surely cannot be through stupidity that they failed to infer that a Zurich address was likely also to have a Zurich telephone number. I prefer to believe it was super-intelligence which led them to decide that, although written orders for the survey had to be sent to Switzerland, requests could be phoned to the Union be phoned to the Union Bank's London branch.

In which case, it is a pity that they did not check the result of their hrilliant reasoning with the telephone directory. For their calls fell on the ears of the staff of Citicorp Investment Bank's data centre, increasing their workload somewhat.

Even so, there is no doubt who is principally at fault. If ambiguity arises in a piece of writing, the writer must bear the hlame. I am sorry. Fortunately, it seems that Citicorp's data experts did not mind overnuch. "For

not mind overmuch. "For a time, we thought we must have been merged with an

employment agency without being told," a spokesman said. "But once we got used to it we had some highly amusing conversations, I can tell you."

Going public
HEADHUNTER John Reid
seeks a financial director for a food industry group in England's eastern counties which is planning a public quotation 18 months hence. Since he may not identify his client, he promises to ahide hy applicants' requests not to be named to the employer at this stage. The same applies to the other headhunters to be mentioned later.

be mentioned later.

The recruit will be on the main board and responsible for all the financial and accounting activities of the holding company, whose dozen varied subsidiaries have a turnover of more than \$50m and upwards of 450 employees. While budgeting and control are good and control ara good, improvements are needed in

systems and reporting.

Treasury work will be a key part of the job. A high proportion of the group's sales are seasonal, and 10 per cent are overseas backed by foreign credit.

Besides knowing how to take a business to market, candidates nead to he

qualified accountants with commercial experience broad enough to understand the operations and people lying behind the figures. They with "sensible" car among enough to understand the operations and people lying behind the figures. They should already have success as financial managers in a mubil company.

public company.

No salary is quoted, but
my estimate is about £40,000.

Other benefits include stock options and car. Inquiries to Mr Reid at

Executive Saarch, 8A Symons St, London SW3 2TJ; telephone (yes, it is London this time) 01-730 0137.

Career restorer NOW to a senior consultant's post in the husiness for which - despite efforts hy numerous readers of this column - there still appears to be no better name than

"outplacement".
The job, being offered by recruiter Roy Davidson of John Courtis and Partners, is John Courtis and Partners, is based in London. Since the employer is part of a hig group very mindful of its reputation, it is certainly not one of the minority of hucket-shop outplacement concerns which tend to get the husiness a had name.

the husiness a bad name.

Candidates should he managers with experience in personnel work who have developed skill in motivating people to rise above present

perks.

Inquiries to Mr Davidson at 104 Marylebona Lane, London W1M 5FU; tel 01-486 6849 or 935 9011.

Group leader RECRUITER John Williams is offering a City of London opening for a principal UK economist to work alongside that chief economist of an tha chief economist of an international financial concern. The newcomer will head a small group and be responsible for aupplying useful information to the UK gilts and equities traders, as well as to the head office

management. Candidates should already be deputy leaders, in effect at least, of a comparable group in a hroking-banking opera-tion. Knowledge of other

European economies could be an advantage.

Salary negotiable up to 250,000. Opulent City-type perks include membership of senior management profit sharing scheme and company

Inquiries to Russell, Williams and Associates, 43-45 St Mary's Rd., London W5 5RQ; tel 01-579 1082.

Corporate Finance

£24-30,000

One of the largest and most highly regarded investment banks in London seeks quality professionals for their rapidly expanding corporate finance

As a qualified accountant from one of the Big 8' firms you will have the opportunity to get involved in all aspects of corporate financial activity.

- * Mergers & Acquisitions
- * Take-overs * Defence work
- * Fund raising.

To be considered for these roles, you should have an excellent academic record combined with a confident and positive approach. In return, financial rewards and career prospects will not disappoint.

Please contact Penny Bramah on 01-831 2000 or write to her at Michael Page City, 39-41 Parker Street, London WC2B 5LH.



Michael Page City

International Recruitment Consultants London Paris Amsterdam Brussels Sydney

INTERNATIONAL BANK, for whom we recruit at

YOUNG BANKERS

capable of progressing to the top tier of its Corporate

exceptional young finance professionals with a good

Banking organisation. These are specific London

appreciation of corporate banking products and

The bank is successfully embarked on an exciting

advancement in a young team. Immediate entry to a Business Unit will give direct involvement in

increasing emphasis on corporate finance products

as well as conventional lending.

Candidates age 25-33 will probably be graduate

ACTBs/MBAs with some early success in corporate

Starting remuneration of up to £35,000 plus bank

benefits and opportunities for rapid promotion.

Apply quoting reference No. 1954 to Beverley

Lindsay, Michael Waggett Associates, 5 Clifford Street, London W1X 2BX: Tel: 01-494 2551.

business development/relationship management.

programme of reorganisation and competitive

business development and a product mix with:

realignment with opportunities for rapid

based vacancies offering ideal entry roles for

OUR CLIENT, A MAJOR BRITISH

HIGH-CALIBRE

senior level, seeks two

systems.

PROJECT ADVISORY £30,000

Our client, a leading International Merchant Bank, has an unusual and challenging vacancy within its project advisory division.

The successful candidate will join an established team as an assistant manager and be involved in the initial marketing, financing and structuring of large engineeriog projects handled by the corporate

interested applicants should be graduates with 2-3 years' experience of loan agreements and possess a knowledge of structuring, syndication and documentation of loans.

FIXED INCOME SALES

£Highly Neg We represent a oumber of leading investment banks whose continued success in the fixed income market has created additional requirements for Eurobood Salesmen 10 cover German speaking markets, predominantly Switzerland. Applicants should possess the following attributes:

aged in their mid to late 20s • 1/3 years' previous Eurobond sales experience ability to speak fluent German

For a confidential discussion please cootact or. Alexandra Hartree or 01-583 0073 (day) or 01-584 1685 (autside office hours).

16-18 NEW BRIDGE STREET, LONDON EC4V 6AU

BADENOCH & CLARK

CROSBY SECURITIES

Economics Graduate - Hong Kong

Crosby Securities is an international stockhroking firm specialising in the fast growing

economies of South East Asia. Based in Hong Kong, we have four offices in the region and sales offices in London and New York. We seek to produce quality

research on South East Asia, which is distributed to financial institutions worldwide.

We are now looking to strengthen our Hong Kong research team through the recruitment of an economics graduate. The new position will carry responsibility for analysing the economy of Hong Kong and eventually other economies in the region as well as company investment analysis.

Candidates will be required to demonstrate a high degree of intellectual ability.

Remuneration package will be commensurate with experience and in line with industry standards. Please apply with full C.V. to:-

Michael Dean, Crosby Securities (U.K.) Ltd, 8th floor, 95 Aldwych, London WC2B 4JF

RECRUITMENT SPECIALISTS

independence of thought and good communication skills.

Jonathan Wren

PROJECT FINANCE

to £45,000

This is a unique opportunity to join a newly created team in the international project finance field.

ideally aged 28 to 38, you will be PC literate with sound credit training, including experience of cashflow based analysis. You will also have several years' Project Finance experience in an international environment and have a sound knowledge of relevant financing techniques.

Contact Norma Given.

CORPORATE FINANCE — LEGAL ADVISOR

Our client, a well established international securities trading house, currently seeks the services of a recently qualified professional with a legal background to work in their capital

markets department. The principal responsibilities of the successful candidate will be to act as an "in-house counsel" covering all aspects of capital markets legal activities. They will be solely responsible for the execution of all new issues, primarily eurobonds, but with the addition of short term paper, swaps and options, agency

negotiation and documentation. The ideal candidate may be recently qualified and will currently be undertaking a role within a legal area of a bank or practicing negotiation and organisation skills coupled with a desire to succeed in a challenging environment.

Contact Jane Almond. LONDON HONGKONG MIDDLEEAST SINGAPORE SYDNEY

onathan Wren

Recruitment Consultants
No.1 New Strort, loff Bishopspart, London ECEM 4TP.
Telephone 01-423 1266. Fax: 01-626 5258.

Senior Financial Economist Central London £30,000 plus benefits

international investment management company requires a senior financial economist to monitor and evaluate developments in the major economies of the Far East and to help the company develop specialist expertise in those economies and markets.

Applicants must have in-depth knowledge of those economies plus a minimum of 3 years investment management experience with a financial institution based preferably in the Far East. An economics degree and MBA are required. Knowledge of a Far Eastern language would be an advantage.

Please send your CV to Stella Pantelides, 56 Russell Square, London WC1B 4HP.

BACK **OFFICE CLERKS**

Consulting firm is seeking roking/banking back office clerks with 3-4 years experience for temporary signments period; may lead to permanent position Scal current C.V. to Mr M.M. Mers, Box A1078, Firencial Times, 10 Cannon Street, Leudon EC4P 4BV

CREDIT MANAGER Required for expanding city Required for expanding city based commercial bank. Lending experience in property and trade finance essential. Preferably currently registered representative for the purposes of T.S.A. Salary and other benefits negotiable in range of £20,000 to £25,000 p.s.

Write with C.V. to: The General Manager, FIBI Bank (UE) Limited, Well Buildings, 2 Landon Wall Building London EC2M SPP

APPOINTMENTS WANTED

JAPANESE/ **ENGLISH FLUENT** Experienced trader in Japanese equities seeking to join a fund/portfolio

Write But A1071, Financial Times, Common Street, London ECSP 48Y

MICHAEL WAGGETT ASSOCIATES executive search consultants

MANAGING DIRECTOR

A Managing Director is required to run a 25-10 million company in the industrial/electronic sector. The company has excellent growth potential both organically and by acquisition.

The ideal person will currently by M.O. of a subsidiary of a large

the above and are now looking to turn your p int skills into becoming your own boas with a substi opportunity linking to you own success, then write

A.S.Z. de Ferranti 2 Oveen Anno's Gate Bui London SW1H 98P

FOREX APPOINTMENTS

For Forex, Capital Markets and Treasury appointments consult a apecialist agency Terence Stephenson Prince Rupert House 9-10 College Hill, London EC4R 1AS Tel: 01-248 0263

GEST COMPANY

Contribute to its growth in Europe

Elders Finance Group is the largest merchant banking operation in Australia; part of the worldwide Elders IXL Group - Australia's most profitable company. As part of our dynamic expansion plans in Europe, we aim to build a significant London presence, dedicated to developing our market in valueadded financial products - resulting in our ongoing need to recruit additional high calibre staff.

Corporate Desk Manager Our objective is to increase the distribution of FX and Currency

Options to UK and European corporates and counterparties; yours will be to target this expansion through the development of existing market contacts and contribute to the continued growth of our Treasury Trading Division. A successful track record and Corporate Desk management experience are prerequisite and a good all-round knowledge of other Treasury related products would be advantageous.

Aussie \$ FX Trader

Working from our existing natural product have, we intend building upon our achievements and maintaining our presence in Aussie 5 FX Trading. With experience in this major segment of our market, your knowledge and experience of other major currencies and/or EMS currencies will also prove decisive as we broaden that base in Europe.

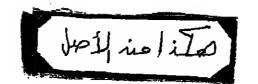
Currency Option Sales

An integral part of our expansion will centre upon developing our capability in the sale of Currency Options. To be effective in this area will call not only for a thorough knowledge of Options, but demand the maturity integrity, presence and authority required to deal effectively with top tier corporate decision makers. There is considerable career potential for those whose experience in Options Sales includes a background in Options Trading.

Salaries, conditions and benefits will reflect the importance of these positions within the Group.

To discuss any of these opportunities please telephone Richard Smelt or Ian Rennardson on 01-283 0911, or send a full C.V. to the Personnel Manager – UK/Europe Region, Elders Finance Group Limited, Greenly Licuse, 40 Dukes Place. London EC3A 5BX.

RSFINAN



RISK MANAGEMENT **CONSULTANT**

London Up to £30,000 + Benefits

We are a leading firm of management consultants offering specialist advice to public and private sector organisations, addressing a wide range of issues. Our flexible, multi-disciplinary approach enables us to react quickly and imaginatively to our clients' problems.

OUR APPROACH TO RISK MANAGEMENT

Focusing on the hazards threatening people, assets or earnings, we assist in tackling the numerous risks faced by today's organisations. Our requirement for an additional consultant is in response to a growing recognition of the value of service in this field, characterised by its objectivity, practicality and innovation. The service includes strategic reviews, risk audits, insurance programme appraisals, contingency planning and resource coordination.

YOUR BACKGROUND

The demanding brief for a risk management consultant requires that you should exhibit professionalism, flair and independence of mind. In addition to these qualities, you should have practical experience of risk management or in a related financial area.

THE REWARDS

The position offers considerable scope for career development and, in addition to a competitive basic salary, excellent staff benefits will

To apply please write enclosing a C.V. and remuneration history to Sue Price, MC Recruitment. Please quote ref: AS/N88/FT.

KPMG Peat Marwick McLintock

Management Consultants 1 Puddle Dock, Blackfriars, London EC4V 3PD

Relationship

his is an exciting opportunity to join Citibank, one of the world's leading global banks, in its expanding Financial Institutions Group. This Group's objective is to market the full range of Citibank's products and services to all sectors of the finance industry.

We are looking for several experienced Relationship Managers to market

the following sectors:

- UK Building Societies and Life Assurance Companies

– European Banks

šĒ.

KERS

- UK Insurance and Re-Insurance Companies.

For all the above posts the Relationship Manager will work within a team delivering a wide range of products and services. -

The successful candidate will need previous experience in proposal

structuring, credit analysis, circa 5 years relationship management experience, ability to identify new business initiatives and excellent Interpersonal skills.

Corporate Finance Analysts

The same Group has openings for Analysts to join a small team working on deal structuring, credit and valuation analysis. Successful candidates will be highly numerate with good computer literacy and

2-3 years experience with a major financial corporate name in business or the control of the control of the control of the control of the

These jobs attract competitive salaries, valuable banking benefits Including low-cost loans and mortgages, free health Insurance and non-contributory pension plan.

If you are interested please send a full curriculum vitae to: Sally Gould, Personnel Officer, Citibank N.A., Citibank House, 336 Strand,

London WC2R 1HB.

We are an equal opportunity employer.

CITIBANK O

EQUITY RESEARCH – INSURANCE SECTOR

To £60,000 + bonus

Our client, a major European Investment Bank, seeks to appoint a head of research for insurance company stock, both UK and European. The successful candidate will either be currently engaged in insurance research with another stockbroker, or could possibly be a qualified practising actuary who has a desire for a more market related future career.

Our client, London based, is a major force in the European stock market and this opening will provide an opportunity for career development and performance related renumeration, with initial salary depending on market experience.

Interested candidates should write, in the first instance, with full

Liz Goodchild (Ref: EAG/1), Bastable-Dailey Advertising & Marketing International Ltd.,

18 Dering Street, London WIR OAX. Tel: 01-408 1818. Replies will be treated in strictest confidence. Companies to whom you do not wish your application to be forwarded should be stated in a covering letter.

Manager Consulting Support (Pensions)

For Success, Consult With Us

Central London

c£45K + Car + Benefits



REEVES BROWN ASSOCIATES LTD

eeves Brown Associates Ltd. know a thing or two about success. Formed in 1982, we have stready established ourselves as an innovnave siready established business of the repidly developing business of Employee Benefits Consultancy.

Changing legislation and an increasing need changing legislation and and Employee for the services of Actuaries and Employee for the services of Actuenes and the services are services and the services and the services and the services are services and the services and the services and the services and the services are services and the services are services and the services and the services are serv Benefits Consultants has reserving demand for our epecialist expertise, and we are now seeking an experienced Actuary with sound now seeking an experienced according sound management skills to join our professional team.

This is a senior management position, and the unis is a senior manager has a senior and successful applicant will be responsible for 7 staff ensuring that the highest standards are staff ensuring that the rigides of are maintained in support of our consultancy effort. More important than formal qualifications will be your 10+ years' pensions experience and provan management skills.

In return for your expertise, we Offer a highly competitive salary end benefits package, including a company can pension and life assurance. in addition, you will have the opportunity to develop your career in a successful and dynamic company, with all that it means in the future

To spply, Please write (marking the envelope "Strictly Private and Confidential") with full career details to T.J.M. Evans FIA, Reeves Brown Associates Ltd., Howard House, 10 Albert Embankment, London, SE1 7SP. Telephone 01-587

MEDIUM TERM NOTES

MAJOR INTERNATIONAL BANK

Central London

Our client is one of the world's largest financial institutions, with the commitment and capital strength to expand its international financial services network. As part of a strategy of broadening the range of its Capital Markets activities, the London office is seeking to expand its Medium Term Note desk.

The role will involve pricing new issues, active trading in short term bonds and repackaging other instruments, particularly Swaps. A thorough technical grasp of Fixed Income products, creative ability and enthusiasm for this rapidly growing product will be fundamental to success. Experience gained on the syndicate desk of a leading bond house will be highly desirable.

£Excellent

The person appointed to this position will have a solid academic background, strong communication skills, persuasive powers and the ability to work effectively within a highly professional team.

The bank has a clear and ambitious business plan for its MTN business. This key member of staff will be in an important decision making position and have considerable influence over the direction of growth. This is an exciting and demanding opportunity.

For a confidential discussion, please call Maggie Henderson-Tew on 01-437 0464, or in the evenings or at the weekend on 01-675 6977. Alternatively, write to the address below enclosing a curiculum vitae.

ROBERT • WALTERS • ASSOCIATES

RECRUITMENT CONSULTANTS Queens House I Leicester Piace Leicester Square London WC2H 7BP Telephone: 01-437 0464

A first class career opportunity for ambitious relationship bankers

Corporate Finance Officers Major global institution

Our client is one of the most successful and prestigious of US banks. Its activities in the UK concentrate on the cream of top British and foreign companies: and it has successfully re-orientated its core businesses to concentrate on products which add value and profitability. Chief among these are securitized products: leveraged buy outs: merger and acquisition business; and capital markets

Currently two opportunities exist within the non-bank financial institutions group. Clients in this area have traditionally had highly complex banking needs and the accent is on innovative "tailor-made" solutions to their problems. Such positions will suit experienced bankers with marketing experience in a major banking institution. Probably aged between 28 to 35, they should have sound credit skills, and an ability to design transactions to meet the needs of sophisticated customers. Career opportunities are excellent and earnings include a generous performance related bonus.

Interested candidates should contact Kevin Byrne on 01-248 3653 or write enclosing a C.V. to the address below for use the confidential fax line on 01-248 2814). All applications will be treated in the strictest confidence.

76, Watling Street, London EC4M 9BJ

Tel: 01-2483653

CONSULTANTS IN RECRUITMENT

A career move from Lending. **Money Market Sales or Syndications**

Asset Sales

Our client is the merchant banking subsidiary of a major US bank. This institution is a market leader in the Our client is the merchant banking subsidiary of a major of banking and corporate finance skills. distribution of prime US assets. The position demands sales, financial analysis and corporate finance skills. The incumbent will play a role in both syndication and repackaging of a variety of assets.

This position could provide an excellent career change for an experienced money market salesperson; or alternatively a natural progression for an individual involved in asset sales or syndication. The ability to think laterally in response to customer need is paramount and should be alilled to strong marketing skills. Ultimately there is the chance to take over the management of this desk, or to progress onwards into a corporate finance/deal structuring role.

Interested candidates should contact Kevin Byrne on 01-248 3653 or write enclosing a C.V. to the address below or use the confidential fax line on 01-248 2814. (Evenings/weekends please ring 076-382728)

76. Watling Street, London EC4M 9BJ



CONSULTANTS IN RECRUITMENT

Eurobond **Trader**

Tambros Bank requires Han additional trader for their successful niche market eurobond operations.

Candidates should have at least two years trading experience and they should be able to work effectively as part of a

Experience of eurobonds is desirable but not essential. The preferred age range is

20-30 years. A competitive salary and full range of banking benefits is available for this position.

Please write enclosing a detailed CV to Mr. Thomas Candy, Director, Treasury & Capital Markets Division, Hambros Bank Limited, 41 Tower Hill, London EC3N 4HA.

B HAMBROS

FUND MANAGERS UK and Overseas Equities/Bonds

The opportunity to develop your career in a rapidly expanding UK institution.

A sizeable increase in the number of funds under management and the development of new Investment products have created the need for our client to restructure its investment operation on more specialised lines. As part of a major expansion programme it now wishes to recruit 8 additional Fund Managers at various levels in the following areas: **European Equities (2)** UK Equities (2)

International Bonds (1) As a member of a well motivated investment team, you will enjoy considerable responsibility for the management of sizeable corporate, pension or unitised funds and will be involved in all aspects of fund management, including marketing to prospective clients. The Company has a new dealing room with the latest electronic technology.

Far East Equities (1)

You are likely to have at least 3 years' experience as a specialist in one of the above areas and will be keen to develop your career in a challenging and performancerelated environment. In addition to being able to demonstrate a record of achievement, you must posse well-developed interpersonal and communication skills.

The positions offer excellent remuneration packages and considerable scope for career development in an institution. that is committed to quality of service, performance and

If you would like to be considered for one of these positions, please telephone either Mike Thompson or Susan Muncey on 01-222 7733 or write to John Sears & Associates, Executive Recruitment Consultants, 2 Queen Anne's Gate Buildings, Dartmouth Street,

John Sears

Employee Benefits

Director

N. Home Counties c. £45k + excellent package

Our client is a long-established expanding employee benefits consultancy and a highly profitable part of a major international financial services group. It has gained a sound reputation for the provision of high quality actuarial, technical and administration services.

Our client now seeks a top calibre pensions and employee benefit professional who will assume immediate responsibility for an established profit centre providing a full range of services to corporate clients. You would be one of the key board members and you would have responsibility for directing a multi-disciplinary team of consultants and adminstrators. Your principal objective would be to capitalise on the high quality business base which currently exists and to develop this through proactive and professional sales and marketing activity.

You are likely to be working at a senior level within a major consultancy with well developed interpersonal skills and the vision to expand a business with

A very comprehensive financial package is negotiable to include an attractive basic salary, mortgage subsidy, substantial bonus, non-contributory benefits and a quality car. Relocation assistance is also available.

If you are interested in this position send your CV to Phil Balubridge, MSL International (UK) Ltd, Pilgrim House, 2-6 William Street, Windsor, Berks SL4 0BA. Alternatively, telephone him on 0753-842044 during office bours or 0932-848606 evenings and weekends, Offices in Europe, the Americas, Australasia and Asia Pacific.



AT A CAREER CROSSPOADS:

APPOINTMEN WANTED

A Ghanaian (CIMA) Finalist expecting results for stage 4 looking for a job in financial services sector. Age 32. Work permit not required. No employment agency.

Reply to Fax: 91-464 3067

MONEY MARKET DEALERS

London c.£25,000

Our client is a substantial UK business with a multi-billion pound turnover. It is now on the point of large scale restructure and this will result in the formulation of three progressive new companies. Each organisation will have responsibility for its own treasury function and will cultivate in-house expertise in this area.

The appointed candidates will assume senior: dealing roles within these 'greenfield' treasury environments, and will have particular ... responsibility for all funding activities and sterling transactions. Reporting initially to the Banking Manager and subsequently to the Head of Treasury, the job-holders would have considerable scope to work on their own initiative, and to help tailor the treasury

operations to the changing needs of the organisation. The role may ultimately require involvement in foreign exchange transactions so a broad understanding of exposure management would be ideal.

To succeed in this demanding position, applicants will need to demonstrate a high level of self-motivation and flexibility, in addition to numeracy and excellent communication skills. A high standard of education followed by a minimum of three years' dealing experience preferably gained within a large PLC or bank, is pre-requisite.

Please write in confidence, quoting reference 8621/4 to Hilary Douglas.

AT THE IN MANY COUNTY OF THE STREET Compliance Director

Global Securities House

Our client, one of the leading US securities houses, invites applications for the post of Compliance Director.

This position will become available in early 1989 due to the planned return to the US of the present incumbent. It is, without doubt, one of the most outstanding opportunities to become available in this field for some time.

As one of the few truly global securities houses, our client is extensively involved in all major products and markets. Of particular interest is its operational strength throughout the European Community and Switzerland. It has a young, dynamic management team responsible for and committed to continued expansion worldwide. The Compliance Director will be an integral part of this

Whilst the Compliance Director will inherit a well established and developed function, there is scope initially to raise further the profile of compliance throughout the UK operations. The role will then quickly develop to include responsibility for Europe, in a climate of rapid regulatory change.

This position will be attractive to talented individuals with ambition and flair looking for career growth in a dynamic environment. Candidates should have a professional background and practical experience of the compliance function. It will be of particular interest to experienced compliance officers looking to assume additional responsibility in a larger organisation. However, individuals with sound compliance knowledge from the accountancy profession or a regulatory background may be considered. Personal qualities, including authority, presence and analytical skills are essential. The successful candidate must be capable of further promotion within the global management structure of this multidisciplinary securities house.

Candidates should not consider their current salary to be a limiting factor.

For a confidential discussion regarding this appointment, please contact Paul Wilson or Karin Clarke on 01-831 2000. Alternatively, write to them enclosing career details at Michael Page City, 39-41 Parker Street, London WC2B 5LHL



International Recruitment Consultants London Paris Amsterdam Brussels Sydney

KPMG Peat Marwick McLintock Executive Selection and Search 70 Fleet Street, London EC4Y 1EU

ACQUISITIONS MANAGER

Package worth c.£35k + car + profit share + share purchase schemes Bedford

rope's largest employee-owned business

700 locations in the UK and oversea

Revenue exceeding £1200 million estment currently £100 million plus.

National ... Consortium N FC Is one of Britain's most successful and diverse companies. Our businesses range from transport and distribution to property and travel both in the UK and overseas.

We're committed to an aggressive programme of international expansion through acquisition — our prime target areas being Europe and North America. Our recent acquisition of the U.S.A.'s largest household removals company is a perfect example of our intentions. We're now seeking an Acquisition Manager to assist in all aspects of the strategy and personally manage projects from research to completion.

Working closely with NFC's four main operating divisions, your key tasks will be candidate selection and analysis; preparing due diligence reports; reviewing competitor takeover activity and organising research and investigations. The need to make personal contact with acquisitions candidates will mean regular overseas

idealty you're aged mid 20's to early 30's, a qualified accountant experienced in corporate finance work with a major practice which has included M&A projects. Your track record will demonstrate quita clearly that you have the stature, the credibility and the strategic telent for this high-profile role. At least one other European language is essential.

The career prospects with NFC are outstanding. So too are the rewards we're prepared to offer. With a generous salary and bonus package comes a profit share scheme and share purchase opportunities offering interest free loans for immediate purchase and an additional one share free for every three purchased on our SAYE scheme:

Please send a full CV to Mrs Anne Yeomans. Personnel Manager, National Freight-Consortium,
The Merton Centre, 45 St Peters Street, Bedford MK40 2UB;
or telephone her on (0234) 272222.



RECRUITMENT CONSULTANTS GROUP

3 London Well Buildings, London Wall, London ECSM SPJ Tel: 01.588 3588 or 01.588 3576

Dilex No. 887374 Fax No. 01-256 8501



£22,000-£30,000

INDUSTRIAL SERVICES COMPANY - SUBSIDIARY £2 BILLION T/O GROUP

Applications are invited from candidates aged 25-35, with a minimum of 3 years practical analytical experience relating to marketing and sales growth. At least 1 year of which must have been acquired in an organisation utilising modern marketing analysis methods. The successful applicant will take total responsibility for assembling and collating information to form a data base on customers, markets, acquisitions and financial analysis. Close liaison will be maintained with heads of these areas. Up to 10% away travel will be necessary. An understanding of computer modelling and an enquiring and commercial mind are important as is the capacity to warrant further promotion in the U.K. or overseas. Initial salary negotiable, £22,000-£30,000, plus car, contributory pension, free B.U.P.A., assistance with removal expenses if necessary. Applications in strict confidence under reference MA 4644/FT, to the Managing Director: CJA.

RM

RM

RM

<u>RM</u>

RM

1.1 /4 P P P

100

Appears every Wednesday andThursday for further information call 01-248 8000 Deirdre Venables ext 4177

Paul Maraviglia ext 4676

Elizabeth Rowan ext 3456

Patrick Williams ext 3694

Candida Raymond

MERIDIAN (rec coss) COMPLIANCE OFFICER 125,000 + Mtg Seb. + + +

saful and highly respected city Stockbrokers require a young lance officer (with legal, counts, accounting background) to work recounting background teams, who revide you with excellent experi-

Emily Hell 01-255 1555

High Mark Control of the Control

Regional Banking Manager

As part of its regional strategy Royal Trust Bank has established regional offices in Bristol, Manchester, Ipswich and Leeds. We are seeking to recruit a Regional Banking Manager in Leeds with at least 10 years UK Clearing bank experience, with particular emphasis on UK corporate lending.

The successful candidate will have the following attributes:-

* Local knowledge of Leeds and the North East ★ Good interpersonal and communication skills

★ Good marketing experience

* Ability to work on own initiative * Age 30-45 with ACIB qualification

Salary will be negotiable and benefits will include a company car. mortgage subsidy, pension and life assurance, private medical cover and bonus plan.

Please write in confidence with career details to:

J. A. Newman, Senior Associate Director Royal Trust Bank, Royal Trust House 48-50 Cannon Street, London EC4N 6LD.

ROYAL I TRUST Royal Trust Bank

FUND MANAGEMENT OPPORTUNITIES

Equities & Fixed Interest London SW1 £ Negotiable

Financial Sector Human Resources Our client, the asset management subsidiary of a long established and broad ranging UK services organisation, is undergoing a period of controlled expansion. Opportunities exist for numerate and well qualified (graduate or equivalent) individuals at the

*** FUND MANAGER * ASSISTANT FUND MANAGER**

The Fund Manager position requires experience of UK Equities and Fixed Interest markets gained over at least 5 years. At the Assistant level International Fixed Interest exposure over 2 or more years would be advantageous. The Trainee should have a keen awareness of current financial markets and preferably some related experience.

* FUND MANAGEMENT TRAINEE

In each instance some overseas travel may be required and an attractive salary will be offered taking account of individual experience and abilities.

ff you would like to discuss a new challenge for 1989 please send a detailed CV to Derek Burn, Partner, MCP Management Consultants or telephone 01 242 3865 day, or 01 229 0063 evening/weekend for further details. REF: FM01188.

11 John Street, London WCIN 2EB.

BANKING OPPORTUNITIES City and West End

CREDIT ANALYSTS/MANAGERS Corporate, Institutional & Sovereign Risk

MARKETING OFFICERS/MANAGERS Corporate & Private Banking Roles

ILEASING SPECIALISTS Opportunities Countrywide

If you are considering a move and would like to discuss the options, please contact one of our specialist consultants for an informal discussion.

WEST END: 2 Swallow Place London W1R 7AA Tel: 01 408 1694 Fax: 01 409 3058 CITY: 25 City Road London EC1Y 1AA Tel: 01 256 5041 Fax: 01 374 8848



EQUITY ANALYSTS LIGHTLY EXPERIENCED (18 MONTHS)

£ NEGOTIABLE + BENEFITS RM

There are many small stockbrokers who might claim to aspire to an Extel rating for their research, as an analyst you will know that aspirations are not enough.

Would you enjoy a more measured performance in terms of the revenue your research generates? Are you able to effectively present your research to the salesteam on a regular basis? Are you encouraged to have direct client contact? Does your present role confine you to your

Our client is an international stockbroker whose research effort is directed from London. They are strongly committed to expansion of research-based equity business. This house encourages analysts to take a "big-picture" view in their particular sectors and to take an active interest in the sales desk. You should have a minimum of 18 months analysis experience, the following sectors are of particular interest: — Retail, Insurance, Electronics and Contracting/ Construction. An analyst who has specialised in the German Equity sector is also sought.

Please telephone Veronica McPake on 01-377 1600, enquiries dealt with in strict confidence or send a CV to:

> Recruitment Matters Ltd. 15 Great Eastern Street · London EC2A 3EJ

At least two years' experience in

Financial Services?

Now build your career with a market leader

Our parent Company, Ætna Life and Casualty, was founded in the United States in 1853 and is now one of the world's largest publicly-quoted insurance groups, ranking among the 15 largest U.S. corporations. Æma launched in the U.K. in 1985 and has under management funds in excess of £429m. Our Unit Trust Fund performance gained us a 'Money Management' performance award in 1987. Exceptional growth demands exceptional people, and we are now seeking further personnel for our Product Marketing Division.

Unit Trust Assistant

Æma's development of products for Europe has given rise to a new position assisting the Unit Trust Executive in the development of new unit trust products. You will also give technical advice on unit trusts and related aspects of the Financial Services Act to company representatives, brokers and clients. You will prepare performance statistics and co-ordinate the production of interim and annual reports for Ætna's 16

Product Development Assistant

Assisting the Product Development Executive in developing the servicing requirements and procedures for Æma's range of life and pensions products, you will be responsible for producing specifications which meet the marketing strategy and technical requirements for products, including Financial Services Act compliance. Once some experience has been gained. there will also be scope for involvement in new product development.

The successful candidates will be educated to at least G.C.E. 'A' level standard, and possess a minimum of two years' relevant experience. For the Unit Trust appointment, this experience will have been gained in the rechnical or administration department of a unit trust company, or within a government or regulator department. Sound knowledge of unit trusts and familiarity with the effects of the provisions of the Financial Services Act are also essential. Good technical knowledge is also required for the appointment within Product Development and, additionally, exposure will have been gained of sales and marketing aspects.

The rewards will be a financial sector salary and benefits package with non-contributory pension affects, life assurance and subsidised mortgage. If you are ready to take the next step in your career, please religions. Adrian Thompson for more information about the Unit Trust appointment, or Heather Elliner in Expense. Product Development. Alternatively, write sending a full c.v. with details of current remuneration of Marion Flower, Personnel Executive, Ærna UK, Ærna House, 2-12 Pentonville Islington, London N1 9XG. Telephone: 01-837 6494.

SOCIÉTÉ GÉNÉRALE MERCHANT BANK pic

FRENCH AND UK **EOUITIES**

Sales Executives

Sales Traders

The Investment Division of the Merchant Bank, a member of the Securities Association and of the International Stock Exchange, seeks to augment its existing equities team. Registered Representatives (General) should have a minimum of two years experience of selling French

equities to the UK and/or selling UK equities to Fluency in French would be a distinct advantage.

If you would like to be considered for these appointments, piease send full career details to:

james Taylor-Dickson, Senior Associate Director, Société Générale Merchant Bank plc, P.O. Box 61, 60 Gracechurch Street, London EC3V OET.

ANALYSTS - FUND MANAGERS -STOCKBROKERS

A City-based investor relations Company is seeking an additional executive to serve its growing international client base.

The successful candidate is likely to be a graduate with experience in fund management, stockbroking or merchant banking. Some international travel is involved and a knowledge of foreign languages would be an advantage. A high degree of self motivation should be combined with good communications skills plus the confidence and maturity to relate to clients at board level. Responsibilities will include the development and execution of global investor relations programmes, in-depth research and liaison with fund managers, analysts and stockbrokers.

An attractive, performance-based remuneration package is offered with the opportunity to share in the Company's growth.

Write Box A1072, Financial Times, 10 Cannon Street, London EC4P 4BY

FUND MANAGEMENT STRATEGY AND MARKETING

A challenging opportunity to gain experience in Trustee reporting and fund management marketing

Our client has an opening for a candidate who is already working in investment management and is keen to develop the skills necessary for marketing.
As an Assistant Manager within the
Company's highly successful investment team, the job will involve reporting to existing clients, at board level, on investment performance it will also involve the presentation of the Company's services

to prospective clients. The Company has a substantial and fast-growing fund management service, which has been built upon an outstanding track record in investment performance. This is an ideal opportunity for those seeking to develop their career by gaining an overview of asset management and an

understanding of global investment strategy. The position has excellent promotion prospects and would ideally suit a person wishing to make their career. within the marketing function. The position carries an attractive salary and benefits package (including a company car and low interest mortgage) and

excellent prospects. To apply please write

in complete confidence to:-

Michael Thomp John Sears and Associates, Executive Recruitment Con 2 Queen Anne's Gate Buildin 2 Queen Anne's Gate Buildings, Dartmouth Street, LONDON SWIH 9BP or telephone 01-222 7733 for a

CAPITAL MARKETS FINANCIAL STRATEGIST £40,000 + CAR + PACKAGE

On behalf of a leading International Securities Organisation, we seek to recruit a highly experienced, dynamic Financial Strategist with a proven track record of between 5-10 years gained within the financial sector. Preference will be given to candidates who possess an Honours Degree in a quantitative analytical subject such as Mathematics Statistics or Physics. You will have an indepth knowledge of Fixed Income and the Eurosecurities market in general and your analytical skills must encompass a high level of computer literacy on a VAX mainframe and C programme in particular. You will be required to establish your personal presence immediately whilst providing a very high level of support.

RICHARD MICHAELS PRIME BANKING PERSONNEL

TOP EXECUTIVE JOBS

sed vacancies by co 2 Savile Row. London W1X 1AG 01-734 987 81 1LS 021-643

LBOs, MBOs, MBIs -STRUCTURED **FINANCING** to £35,000

Our client is a major US banking group with broad based Corporate Finance activities and a significant presence in the marketplace. Due to sustained growth in the middle market LBO/MBO and MBI sector an additional contents of the contents acreed to the cont business originator is currently sought. This is a diverse role with responsibility for the origination, negotiation, structuring and closing of transactions, using the latest financing techniques, including taking equity in the client company. Development of new business will be enhanced by drawing on the extensive corporate contacts across the group negotiat. You must hold a degree, have a thorough credit training and be able to demonstrate proven practical experience in this very competitive market.

Please contact Loretta Quigley. Telephone 01-606 1706. or write to her at Anderson, Squires Ltd. Financial Recruitment Specialists, 127 Cheapside, London ECIV 6BU.

Executive Division

Anderson, Squires

CAPITAL MARKETS OPPORTUNITIES

A major European Bank, committed to long term expansion of its capital markets activity in London, invites candidates to apply for the following

Overall remuneration will reflect the importance the Bank attaches to these notifions and will be take a constant importance the Bank attaches to these positions and will believe a generous base salary and profits related bonus,

SENIOR SWAPS SPECIALIST

The Bank has decided to develop a significant role in the market for swaps and derivative products, with emphasis on ECU, and will allocate sufficient capital to support a trading inventory of the capital state. capital to support a trading inventory of swap positions.

The ideal candidate will have at least four years experience with one of the leading firms specialising in this field and will be mature enough to set up and manage all aspects of this satisfies will be management, managa all aspects of this activity: treding, portfolio management, documentation and administration.

MANAGER - INSTITUTIONAL SALES

The Bank has a dominant position for securities distribution in its domestic market and has a strong contain for securities distribution in its domestic market and has a strong reputation for the quality of its research. It actively traders and makes markets in those euro-securities where it has acknowledge expertise and is developing a European network of affiliated stockbroking units. The Bank's lesearch product is being broadened to provide in-depth coverage of euro-ecurities and domestic European securities.

The ideal candidate will have at least seven years securities sales experience which will allow him to build a team, integrated with the Bank's traders end research specialist, to develop sales of a wide range of euro-securities and European equities and bonds, primarily to UK-based institutional investors.

EXPERENCED EUROSECURITIES DEALER

The Bank is expecting its secondary market trading team and is looking for a seasoned dealer with at least five yeers experience, preferably in ECU and

Applications, inclustrict confidence. ing full career details end current selery, will be treated in rite Box A1069, Financial Times, 10 Cannon Street, London



niversity of Durham

DIRECTOR OF THE BUSINESS SCHOOL

Applicates are invited for the post of Director of the University of Durham Business School, tenable from 1st Octob, 1989, or as soon as possible thereafter.

Business School has achieved rapid growth over the Dast four ars (current income approximately £2½ million). Continu expansion is planned into the 1990s, both in Europe and ov

uccessful candidate will provide energetic and imagin at leadership in the next phase of development and will represent the School inside and outside the University. Applications, a wide range of ntacts in higher education, commerce, industry and perience at senior level in at least one of these areas.

appointment will be for a period of five years in the first in the years in the first in the years in the The sale range will be negotiable when the post is offered, in a range minum £23,380, average approx. £28,000.

Fifther particulars from the Registrar and Secretary, University of Durham, Old Shire Hall, Durham, DHI 3HP (Tel. (0) 374 2938) to whom applications (12 copies), naming three reces, should be sent by Friday, 6th January, 1989. (Candides outside the British Isles may submit only one copy).



Traded Options Institutional Sales

Cazenove & Co. wishes to enhance its service to institutional clients in traded options and is seeking to recruit a specialist salesman.

 Concentrating exclusively on traded options sales, the successful candidate will have full technical and analytical support.

QUALIFICATIONS

Candidates are likely to have worked in a major securities firm transacting traded options business for institutional clients.

REMUNERATION

SELECTION

Cazenove & Co. wishes to attract candidates of the highest calibre and will offer appropriate remuneration and excellent long term career opportunities.

> Please write in confidence quoting reference G4504 54 Jermyn St, London SWIY 6LX.

SPECIALISTS IN SENIOR MANAGEMENT SELECTION 01-493 3383

Assistant Loan Manager

PALL MALL



An opportunity has arisen for an ambitious young corporate banker in the dynamic environment of our Pall Mall office. You will provide a key relationship management role to the small corporate sector including the development of new business.

You should be an ACIB with up to five years experience, preferably in retail banking, with good credit assessment and judgemental skills and experience of charged securities.

This position demands a high degree of interpersonal skills and professionalism.

Opportunities for career development within Hambros Bank Limited are excellent.

The preferred age range is 25-30 Vears.

A competitive salary and range of benefits is available for this position. Please write enclosing a full CV to Mr. E. Harvey, Manager, Hambros Bank Limited, 67 Pail Mail, London SWIY SEU. --- -

Shepherd Little & Associates Ltd

Banking Recruitment Consultants

EUROPEAN EQUITY SALES

A major international investment bank is seeking to build its European Equity Sales Force. Applicants will specialise by country rather than industry — in particular, France, Germany and Switzerland. If you have a proven track record selling European equities to U.K. institutions from a recognised City bank then please call for further details. Please contact Christine Clayton

U.K. LENDING — ASSISTANT MANAGER

One of the world's largest banks is seeking a new lending officer for its London branch. Candidates, aged between 27 and 35, should be graduates with some of their training from within a clearing bank. In helping the bank to further develop its business in the U.K., they require a combination of sound credit and business development sidils.

Please contact David Little

CREDIT ANALYST

Our client, a prestigious European bank, is looking to recruit a young credit analyst for their Corporate Banking Department, Applicants should preferably have the A.C.I.B. exams, American bank credit training and a minimum of 2 years' experience. The job will include some client exposure and has excellent prospects for the ambitious.

Please contact Caroline Huddart

ASSISTANT COMPLIANCE OFFICER One of our clients, a feading City based European bank, is currently seeking to recruit an Assistant Compliance Officer. Your responsibilities will include the day to day running of the Compliance Department and assisting the Head of Department with various tax obligations of the bank. Applicants should have either A.C.A. or A.C.C.A. qualifications and have had previous compliance experience gained from within an international bank. Please contact either Branda Shepherd or Simon Pape

CREDIT ADMINISTRATION We have an opening for a graduate at A.C.A. with fluent German to join a new department of an established international bank in the City. Experience will be required of joan reviews, aredit administration and credit analysis for secured lending to high net worth effects. This is an exciting apportunity to help set up and possibly take over an expanding

area with international travel involved. Please contact either Frenda Shepherd or Simon Pope

Our client, a highly respected international bank, is seeking to increase its share of the fixed income market. They are recruiting a number of people who have at least two to three years' experience of fixed income sales, particularly in U.S. Dollars, Deutsche Marks and Japanese Yen. Applicants must be high income producers and team players.

Please contact Ketth Sneigrove

Ridgway House 41/42 King William Street London EC4R 9EN Telephone 01-626-1161

Banking Executive

Hill Samuel Bank Limited, one of the City's leading Merchant Banks, is seeking to appoint a Credit Analyst to join its Property Lending team within the Commercial Banking Division.

The suitable candidate is likely to be aged 22-28, probably currently working within a Clearing or similar bank environment and who has had general experience in most aspects of credit assessment. Preferably applicants will have passed their banking examinations or be well on the way to doing so. This post offers good promotional prospects for the right candidate.

In addition to a competitive salary, we offer excellent fringe benefits including profit share, subsidised mortgage and loan schemes, noncontributory pension scheme, free life assurance and BUPA.

Please send a full curriculum vitae quoting reference AWC in strictest confidence to:

> Mrs Anne Dunford, Manager - Personnel Department, Hill Samuel Bank Limited, 100 Wood Street, London EC2P 2AJ.

HILL SAMUEL

A member of the TSB Group. A member of The Securities Association

SALES EXECUTIVE Natural Resources

W. I. Carr, the international stockbroking arm of Banque Indosuez, require a sales executive to join a well established, research based Natural Resources team. We specialise in global analysis of metals and oil markets as well as the related companies. Through our subsidiary company in Canada we also cover forest products.

Applicants should have at least two years' experience in the area and good institutional clieot connections.

The remuneration package will be fully competitive and will reflect the experience and potential of the applicant. Please reply, in confidence, attaching detailed curriculum vitae to:

Chris Orchard, W. I. Carr Group, No. 1 London Bridge, London SE1 9TJ. Tel: 01-378 7050

W-I-CARR



A WEST END BASED BRITISH REGISTERED BANK

Seeks suitably qualified staff for its expanding activities in the following Departments.

Trade Finance Department - Officer

Age to 35 yrs Applicants must be presently occupying a supervisory, checking and signing role and will be well versed in all aspects of Trade, Letters of Credit, Bill Discounting etc., with a complete understanding of U.C.P.

Advances Department - Securities Officer

Age to 25 yrs Applicants will have a Clearing bank background and be capable of completing "in house" all standard forms of security. Ability to llaise with lawyers on cross border or the more complicated facility and competance to construct detailed facility offers is a prerequisite.

Advances Department - Analyst

Age to 25 yrs
Applicants will be formally trained with exposure to UK commercial trading clients. Must be able to spread and write clear reports on Balance Sheets and construct corporate cash flow profiles etc.

Central Filing Clerk

Will be an experienced person able to establish and run a centralised filing system covering all aspects of the Bank. Must be familiar with the output from the various departments within a bank.

Attractive salaries together with the usual fringe benefits are offered, as well as the opportunity for further career development.

Please write and include your C.V. to the Managing Director, Private and Confidential, Box No. A1066 Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY

ROYAL LONDON

UK and Far East Fund Management Appointments

The Royal London has total assets under management in excess of £2bn, including insurance funds, pension funds and unit trusts. In preparation for major strategic developments in 1989, additions are being made to the fund management team.

From the outset, the successful applicants will be involved in research, stock selection and dealing, and will be expected to be able to fill positions of responsibility at an early stage. The remuneration package will be competitive, including a performance-related bonus, and prospects for rapid career advancement are excellent.

Applicants should be in their early to mid 20s and have at least an upper second class degree. A keen interest in international affairs and good interpersonal skills are essential.

If you are interested, please write enclosing cv to M. J. Yardley, F.I.A., Investment Manager, The Royal London, Mercury House, Triton Court, 14 Flasbury Square, LONDON EC2A 1DP.

UNIVERSITY OF BRADFORD THE MANAGEMENT CENTRE _Appointment of

The University is seeking e successor as Director of the Management Centre to Professor J.C. Higgins who will be retiring in 1989.

The Management Centre is one of Europe's oldest and largest business schools. The Director will be expected to have a thorough understanding of the environment within which business schools operate and the creative ability to develop strategic initiatives for the 1990's. The appointment may be made for a fixed term of not less than five years in the first instance. It will carry the title of Professor and the salary level will take into account the importance of the appointment. portance of the appoints



Further particulars may be obtained from the Acting Registrar, University of Bradford, West Yorkshire, BD7 1DP to whom applications should be sent by 14th january, 1989. An equal opportunity

Futures and Options Account Executives

As part of a planned expansion programme, our client, a leading futures and options brokerage house, wishes to recruit a number of high calibre Account Executives.

Candidates should have a proven track record of dealing with institutional and corporate clients, with a minimum of five years experience in the major futures, options and securities markets. Applicants should have the ability to make an immediate contribution to our client's business development.

For individuals with the necessary drive and ambition, our client is offering an excellent opportunity for substantial client base development, backed by the resources of the world's largest clearer of futures and options contracts.

As you would expect, the salary package involved will be negotiable. Applicants should forward their details in strictest confidence to:

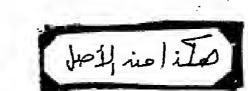
Andrew Grant Burson-Marsteller, 24-28 Bloomsbury Way, London WC1A 2PX.

Burson-Marsteller Financial

APPOINTMENTS WANTED

ENTHUSIASTIC QUALIFIED 21 YEAR OLD SEEKS EMPLOYMENT IN MARKETING

EDUCATION



Windy,

ASED RED BANK

- : 1

1.15

111 windness

. .

100

and the magnitude

SRAIRE

INVESTMENT ANALYST

Norwich Union is one of the fastest growing insurance and financial services groups in the UK, a market leader and an equal opportunities

Norwich Union Fund Managers Limited, members of IMRO and managing total funds in excess of £12 billion, seek an Investment Analyst to join the research team which provides fundamental analysis and original research on equities. As a senior member of this team, you will have the opportunity to play a key role in its activities and future development.

Educated to degree level you should have at least 3 years' relevant experience. A sound analytical training coupled with an enquiring mind, good communication skills and a high level of self motivation are essential.

The post is in Norwich, a prime location within easy reach of the City, and the fully competitive salary is backed by a first class fringe benefits package including performance related bonus and comprehensive relocation assistance where appropriate.

Please send full career and salary details to: Miss Phyl Scott, Head Office Staff Superintendent, Norwich Union Insurance Group, Surrey Street, Norwich, NR1 3NG.



UK Corporate Finance Executive Major International Bank

Marketing

This leading international bank is expanding its corporate business presence in the UK and is se to appoint a marketing based banker to this key post in order to further develop the UK Corporate finance

The Executive will join the promotions group and play an important role in the marketing, development and execution of syndicated and commercial finance transactions to UK Corporate clients.

Candidates will be graduates with a strong background in analysing and assessing risk for a corporate customers. This will be combined with considerable experience of marketing banking

Age around 35 to 45

products to UK Corporates, including new client development. Both your interpersonal and presentation skills must be excellent. Your style should be adaptable, outgoing and team oriented.

This is an exciting opportunity for a top quality candidate to make a significant impact on the growth of our client's UK Corporate finance business. An excellent remuneration package will be

Please reply in confidence, giving concise personal, career and salary details to: Michael Fahey Ref ER 135, Arthur Young Corporate Resourcing, 21 Conduit Street, London W1R 9TB.

Arthur Young Corporate Resourcing

A MEMBER OF ARTHUR YOUNG INTERNATIONAL

APPOINTMENTS

ADVERTISING

Appears every Wednesday and Thursday

fot further information

Paul Maraviglia ext 4676

Elizabeth Rowan

Patrick Williams ext 3694

Candida Raymond ext 3351

call 01-248 8000

Deirdre McCarthy ext 4177

ext 3456

BANKING OPPORTUN

PERSONNEL MANAGER C£40,000

A major European bank seeks a traiture and polished manager who has gained 'hands on' experience of international banking before moving into a personnel function. The role is both creative and pro-active and will appear to surpeous in their mid 40% committed to human

PROJECT FINANCE ¢£45,000

Increased demand for its services has created the need for an additional member of this infernational bank's project finance team. Candidates, ideally graduates, aged 35-45, should have at least 5 years' relevant experience.

CREDIT MANAGER c£28,000

Ideal candidate aged 24/28, ACIB, from international division of clearer with experience of credit reviews/analysis and learn administration to joint an expanding international A major international bank seeks an experienced credit files, ideally aged 30-35 with US training, to supplement its surplean regional credit team. Fluency in French and/or

EUROBOND SALES EXECUTIVE

to £25,000 Our client moures 12 to 18 months' sales experience it

c£20,000 This position at superior of settlement procedures in at least two of the following: seeps, options, hautes, FRA's.

CROSS BORDER M/A

A financial engineer with the ability to access top decision makers in the major European centres is sought by this international bank. Cardidates with probably be in their early 30%. Energy, deel-making ability and language skills are more important than professional quadications.

ACA with 3-5 years' PQE C£28,000 + Bliffy

To join a small equity audit term in one of the world's feating barks as number too for 2 years, before moving into a line role in corporate finance, teset based finance or

MANAGER'S ASSISTANT - CREDIT

c£20,000

ation on the above and other vacancies or for a general discussion in confider development, please contact: Roy Wabb, lan Dodd, or Karye Paulanto

INTERNATIONAL SEARCH AND SELECTION CONSULTANTS

7 Birchin Lane London EC3V 9BY

Tet 01 895 8050(12 lines) or: 01 626 2150(24 hour) Fax: 01 626 2092

A member of the Devonshire Group PK

INTERNATIONAL BANKING TRADE FINANCE

London office of leading international bank wishes to appoint a senior manager with a proven track record in trade finance products in Europe and the UK. Candidates are likely to be aged between 30-40, and should be working in a major European or UK commercial bank. Previous american bank experience and language skills in French and German would be an advantage. The remuneration package includes a competitive salary, executive car and other benefits associated with a senior appointment in international banking.

Please apply in confidence with full career details to:

Box A1068, Financial Times, 10 Cannon Street, London EC4P 4BY

FINANCIAL OPPORTUNITIES

EUROBOND SALES - 3 years experience required of Bond Sales with coverage of UK, Middle East or Europe. European languages an advantage. Excellent packages for right candidates. Please call fulle Shelley for further details.

FOREIGN EXCHANGE ... TRADER/SALES Top houses are offering excellent TUCE LOL CI

Exchange and Sales people. Please call Julie Shelley for further. NEW ISSUE SALES Large Australian House seek experienced New Issue Sales person who specialises in AUS, DEM and US: Excellent package offered, Please call Julie Shelley

for further details. Very good experience in Trading mainly South African and other foreign Securities. Quality House.
Please call Richard Ward.

EUROBOND SALES Verg good experience of Bond Sales to Germany. Language not essential but useful. Please call

US EQUITY SALES Very good experience required for this position. A good client base is essential. Please call Richard Ward

CONVERTIBLE BOND SALES Good experience required in Sales of multi-currency Boads Very good opportunity, Please call

MANAGER UK. Stockbrokers. 5 years experi-

 UK. Siockbrokers. 5 years experience. Public floats, placements, underwritings. M & A. Disposals.
 Should have good all round experience. Excellent package available. REF DF/242. ANALYST Senior Resource Analyst to be based in SYDNEY. Experienced Gold also precious metals, oils an

advantage. Top package and relo-cation expenses. REF DF/414. EXPERIENCED INSTITU-TIONAL EQUITY SALES People required for UK to UK, or UK to Switzerland, or European equities to UK. European lan-guages an advantage, not essen-tial REF DF/515.

For details of the above please call: 01-377-6488. FAX: 377 0887

Cambridge Appointments 232 Shoreditch High Street, London E1 7HP

01-377 6488



MERIDIEN INTERNATIONAL BANK LIMITED.

Meridien International Bank Ltd., is part of the ITM international group of companies whose operations are primarily located in tha continent of Africa. The Bank has been set up, inter alia, to develop a commercial banking network and due to the rapid expansion of its activities in this area, it is now seeking tha following additional staff for its commarcial banking units in aevaral African countries:-

Experienced Overseas Bankers who have

- Previous African experience, preferably recent
- Strong credit and marketing skills
- The ability to practise 'hands-on' management A results oriented approach
- Strong asset and Ilability control skills
- The ability to develop teamwork in a fast growing anvironment A degree or professional qualification.

flexibility to perform in a demanding anvironment will be

Applicants in the aga group 35-45 will be preferred though candidates outsida these parameters who have the enargy and

Please reply anclosing a full C.V. and the names of 3 referaes to the Managing Director, P.H. Recruitment Ltd., 3 Shortlands, Hammersmith, London W6 8AL.

ANALYST - FRENCH EQUITIES

IMI Securities Ltd. is seeking to recruit a | companies in New York, Frankfurt, Zurfurther analyst of French companies and their securities. The position is based in London and candidates must be fluent in French and English. A general know-ledge of the workings of the Bourse and of the French economy is required inaddition to specific experience in French -company analysis; investment manage-

ment or investment management. IMI Securities Ltd. specialises in European securities and is one of the leading companies in this sector. We are, for example, the first market markers in Italian stocks on the International Stock Exchange. The company is expanding rapidly and offers a positive and friendly working environment for professionals dedicated to the pursuit of excellence. We

ich, Luxembourg and Brussels in addition to our own operation in London.

IMI Securities Ltd. is a subsidiary of IMI; one of the largest Italian banking groups. The resources of the group are substantial, total assets are over £27.5bn, shareholders equity amounts to \$3,3bn and the group has about £17.5bn of assets under management. IMI is fully committed to winning an appropriate ranking in world securities trading and capital market activities, and IMI Securities Ltd. has been chosen by the group to lead IMI's expansion in securities trad-

The remuneration package for the successful candidate will include an attracare currently represented through group | tive salary and the usual banking benefits

Application enclosing full career details should be sent in strict confidence to:

Ms Rita Fulgoni IMI SECURITIES LTD.

8, Laurence Pountney Hill London EC4R OBE

Tel: 01-283 1751

FLEMINGS

Private Client Stockbrokers

Fleming Montagu Stanley is seeking experienced portfolio managers or stockbrokers looking after private clients, family trusts and charities. The firm currently manages £800m of private client money and wishes to increase this by attracting people with substantial business. Successful applicants will have access to the highly sophisticated research facilities of Flemings both in the United Kingdom and overseas and will be supported by efficient computer and back

office procedures.

The firm, which is wholly owned by Flemings, has the full support of its parent company in the development of its private client business.

The successful applicants must be keen to participate in the future development of the firm and will benefit from a very

For a strictly confidential discussion, please telephone or write to Robin Douglas or John Field at FLA quoting reference 1170.



TAKE YOUR CITY SKILLS — OFFSHORE

One year ago Mondial opened its first office overseas — now the Company One year ago moratile operate is the total content and the company is the fastest growing international financial services organisation, located in Northern and Southern Europe, the Middle East, Hong Kong, East and Southern Africa. Our aim for continued growth creates opportunities worldwide for high calibre people to market top quality investment services to the thriving expatriate communities.

If you are ambitious enough to join a company which is rapidly becoming a worldwide success — and want the high earnings which reflect you commitment, then send your CV to:

Mondial

RETIRED BANK **MANAGERS**

Expanding medium-sized Baak requires recently retired Bank Managers with sound contacts for loan facilities. Work from home 14-16 hours per week with full back-up services. Attrective package to suitable individuals.

Personal details to:-Box A1063, Financial Times, 10 Cannon Street, London EC4P 4BY

INTERNATIONAL APPOINTMENTS



EUROPEAN PATENT OFFICE

- e young europeen organisation with Headquarters in e young europeen organisation will reacquarters in Munich and Sub-offices in The Hague and Berlin, granling Europeen petents on behalf of its Member States (13 at
- e modern agency in the service sector, still repidly expanding its business activities, with over 3.000 staff and an operating budget of DEM 630 Million
- an organisation with far reaching eulomation goals, using leeding edge technology an organisation that has set ambitious goals for its activities in the coming years, with the development of the Office on business lines as a high priority item

We are strengthening our Controlling Office and are seeking

HEAD OF STRATEGIC CONTROLLING (Ref: OJ 12/4)

- Main tasks are: Developing long term strategic plans, as well as rolling
- medium and short term plans Developing accurate methods for literasting future
- Developing and operating a management information Controlling the development, imple

all Internal project work We are also seeking our

HEAD OF EFFICIENCY CONTROLLING (Ref: OJ 12/5)

performing efficiency reviews of procedures, working methods and administrative systematics reviewing organisational structures

assessing the effects of changes in organisation and procedure investigating the causes and effects of mailunctions and

proposing remedial measures if you fulfil the following requirements

completed studies at university level many year professional experience in the area of stretegic controlling or efficiency controlling in industry or in the

the ability to understand and transform complex issues into transparent planning thorough knowledge of one and ability to understand another of the Office's three official languages (English,

French, German)

a position in the upper management (Grade A5, Director)

Applications (submitted on the appropriate from obtainable from the EPO) should be sent by 16 January 1989, to: European Patent Office, Personnel Department, Erhardtstrasse 27, D-2000 Munich 2, Tal. 1020, 2000 27, D-8000 Munich 2, Tel. (089) 2399-4318.

GENERAL MANAGER INVESTMENT COMPANY ARABIC SPEAKING CIRCA US\$ 180,000

Our client is a Kuwait based multi-million Dollar investment company with business interests in Kuwait, the GEC, Europe end the U.S.A.

The Company business ranges from direct investment in international real estate and equities to the trading in currencies, bonds and other financial instruments.

As a result of the redealers are Company's As a result of the redeployment of the Company's worldwide investments and the expansion of the business, the Chairmen and Managing Director wishes to delegate the day-to-day management of the Company to a senior experienced executive will assume the

to a senior experienced executive who will assume the title and responsibilities of General Manager.

The ideal candidate is expected to be a qualified Arabic appearing axecutive with senior marchael or investment banking experience, especially in the 120's and M&A'e banking experience, especially in the LBO's and M&A'e ereas. Additionally, the candidate should be able to demonstrate an ability to direct, organize and administer a range of assets, departmente, end affiliates epread worldwide.

affiliates epread worldwide. The compensation package is expected to be very attractive and is negotiable up to 15\$ 180,000 per ennum.

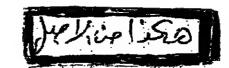
Please send c.v.'s in the strictest confidence to : THE DIRECTOR.

ORIENT CONSULTING CENTER.

P.O. BOX 641, SAFAT

13007 KUWAIT.

TELEPHONES: 240 2828 - 240 2829



COMMODITIES AND AGRICULTURE

Brussels set to pull the plug on wine lake

Curing the EC's alcohol problem

Bridget Bloom continues our series on agricultural spending curbs

By Bridget Bloom, Agriculture Correspondent

THE EUROPEAN Commission in Brussels will shortly be are brassels will shortly be given the green light to try to sell off Europe's wine lake, built up through years of over-production and currently amounting to 1m tonnes of alcohol, the equivalent of 125m bottles of wine.

The agreement is being finalised just as new arrangements intended to control future over-production of table wine enter fully into force.

The Commission beans that

The Commission hopes that, if the sales are successful, the new wine regime will start with a clean state, and prove more effective than the old

However, getting rid of the wine lake is likely to prove expensive — one estimate puts the cost at some Ecu 1bn

N THE topsy turvey world of the European Community's common agricultural policy, sales of surplus stocks are seen as a "Good Thing", even though to the lover of

wine, its sale for use as a petrol additive or boiler fuel

might seem sacrilegious.
Officials of the European
Commission in Brussels are

over-production seems peren-nial: Europe produces far more table wine (the only wine supported by the CAP than it drinks of can export. Despite a

decline in vineyard acreage

over the last 20 years, yields and thus production have increased while consumption

has declined. Last year, total wine produc-tion was 193m hectolitres, of

which about 130m was table wine. Consumption of tabla wine however was only some 98m hl (Production and con-

sumption of quality wines were roughly in balance)

Commission officials see no

levelling off in the declining demand for table wine. As palates have matured and

incomes have improved, wine

has been bought for sipping

rather than swigging, while

heaviest wine drinking coun-

try, has fallen from an annual

130 litres a head after the war, to 85 litres in the early 1980s and 75 litres today. Similar pat-

terns are recorded in Italy and

mption in France, the

the increase.

Finding buyers could also prove to be difficult. prove to be difficult.

Wine surpluses are stored in the form of alcohol and the Commission believes that the most likely buyers would be power stations, which could process and burn the product as boiler fuel, or secondary oil companies which would use the alcohol to raise the grade of petrol.

of petrol. amassed mainly over the last four years, the result of compulsory distillation schemes designed to bring production of table wine more into line with demand, which has been

on a declining trend for over amount to just under 10m hectolitres, or 1m tonnes, of

two major efforts to persuade

farmers to reduce production:
the first was agreed at the
summit of EC leaders in
Dublin in 1984 while the second
formed part of the so-called

"bndget stabilisers" which

were agreed by Community heads of government at the Brussels Summit last Febru-

In both cases a carrot and

m both cases a carrot and stick approach was chosen. The stick takes the form of minimum support prices which are lowered if production goes over agreed stock levels (five months consumption). Linked

to this have been schemes to

distil the surpluses into

aid to farmers to grub np vineyards. Linked to this, in

vineyards. Linked to this, m
last February's Brussels agreement, is exemption from obligatory distillation, provided a
grower removes at least half of
his vineyard.

The Dublin settlement.

reached with great political dif-ficulty, failed to bite. This was principally because farmers

could still make a profit at the

prices they were required to sell their surpluses for volun-

tary or obligatory distillation,

The carrot is represented by

alcohol.

alcohol. However, a further 3m to 4m hectolitres of alcohol is thought to be stored at the expense of wine-producing member countries, which are responsible for voluntary distillation schemes.

The wine lake has not been

drained up to now principally because the Commission has been required to obtain a minimum price for the This condition is in the pro-

cess of being dropped, an agreement to that effect needing only the formal approval of the European Council and the British Parliament. Both are likely by Christmas. Commission officials organ-ising sales of the alcohol are required not to disturb conditions of competition either within the EC or on

did not find the grubbing up incentives sufficiently attrac-

A maximum of 20,000 ha -

out of a total of some 2m ha

under grapes - were removed in the three years of the

scheme's operation, while stocks amounting to some 100m

hi of wine, or nearly a year's Community consumption of table wine, have accumulated

and 40 per cent of the guide price for all quantities thereaf-

ter. In the new wine stabiliser vineyard owners will be paid 50 per cent of the guide price for only about 10m hl of sur-

plus and 7.5 per cent there-

The carrot is, by contrast, designed to be more attractive. If a farmer takes out half or

more of his acreage under vines, he will get substantial aid and will be exempt from

obligatory distillation on the

remainder of his production. Amounts of the grubbing-up

aid are partly dependent on

yields, but, for example, on a 20 ha holding they could amount to between Ecu 52,508

(£35,000) and Ecu 92,000, paid

years. Will the stabiliser work? It is

early to tell, since the scheme

only came into force for the

1988-89 wine year (beginning September) and details of it are

only now filtering through to

world markets, but are charof disclosing prices at which the alcohol might be offered. Observers believe it could be some Ecu 70 a tonne or less. The cost to the EC comes both from storage and distillation and from the major loss in disposing of the product at a price far lower than the wine

was originally bought from the grower. Total wine production in the RC last year amounted to some 193m hectolitres of which about 130m was table wine and thus subject to EC support

This year, the wine harves is thought to be some 30 per cent down, entirely due to the vagaries of the weather, and to disease in producing countries, rather than to successful pro-duction controls.

Doubts as to its immediate efficacy centre on two problems. Firstly, officials seem likely to defer the punitive price reductions on wine for distillation until the 1890-91 season. Secondly, the grubbing-up aid may well not be taken up in quantity in the first year partly because of administrative problems but

administrative problems, but also because poor weather and disease (rather than production

effect. Last year, when producers got an average of 43 per cent of the minimum price for their surplus wine, they held back nearly 5m of the target of 33m hl of wine for distillation

While the major difficulty

with the wine regime is politi-cal – it is immensely difficult to persuade a small grower

with a hectare or two of vines that he should give them up an additional "problem" is that it does not swallow up huge Community funds.

Support for wine cost the EC

farm budget Ecu 1.6bn in

1987-88 while the preliminary draft hudget for 1988-89 is Ecu

There will probably be no

years, since these are due to be taken up by the grubbing-up aid. But even with the costs of

disposing of the surplus stocks,

wine imposes nothing like the

budgetary burden that pro-

voked reforms in the dairy or

diseeds sectors.

distillation

Zinc price climbs to fresh record By Kenneth Gooding, Mining Correspondent

ZINC IS the latest metal to set zinc is the ignest metal to set new record prices. On the London Metal Exchange yesterday, the price of high grade zinc for delivery in three months touched \$1,550 a tonne in morning trading before closing at \$1,540.

This was \$18 up on the day and just shead of the previous peak of \$1,538, reached in mid-October at the start of the Peruvian miners' strike, now in its citchth week in its eighth week.

The highest price so far paid for zinc on the LME was \$1,672 a tonne for high grade metal for immediate delivery on October 19

October 19.
Traders said yesterday's rise reflected speculative demand based on predictions by chart analysts rather than on any news about changes in fundamental market condi-

fundamental market condi-tions.

Although stocks are low and falling, physical demand recently has been routine and consumers have been reluctant to commit themselves to fur-ther forward purchases because of uncertainty about the pricing system to be adopted by the industry in

1989. The industry is trying to

work out a system based on the new LME Special High Grade zinc contract WEEKLY

BISMUTH: European free

7.00-7.35 (same), sticks 7.00-7.85 COBALT: European free

market, min. 99.99 per cent, 5 per 76 lb flask, in warehouse, 285-300 (same).

lb, in warehouse, 8.90-9.30 (9.20-9.40).
TUNGSTEN ORE: European

exchange value, \$ per lb, UO, 14.15 (same).

WORLD COMMODITIES PRICES

(Prices supplied by Amelgamated Metal Trading)

Bauxite producers rallied by aluminium's strength

Canute James on the industry's improving health

IGH ALUMINIUM prices have boosted the fortunes of the world bauxite industry, but many producers of the ore feel they are not getting a hig enough slice of the aluminium cake.

At about \$2,400 a tonne, the London Metal Exchange price for high grade aluminium is well below the record \$4,205 a tonne reached in June, but it is still more than \$700 above the level ruling a year ago. How-There was a danger, however, that the current high prices will lead to rapid expansion in capacity. "Careful and deliberate management of the supply, demand and inventory aspects of the industry are going to be needed to avoid the errors of the past which led to such grief within recent times," the Jamaican minister suggested. level ruling a year ago. How-ever, because of over-capacity and over-production in their industry, bauxite producers are not in a position to gain the full benefit from this.

At the annual meeting of the International Barrite Association, in Kingston, Jamaica, this month, ministers from produc-ing countries "noted with satisfaction the improvements being experienced in some sec-tors of the industry, namely alumina (aluminium oxide) and aluminium." But they also grudgingly accepted a smaller share of the returns by setting 1989 recommended minimum prices for bauxite and alumina

(as proportions of the primary aluminium price) at lower levels than for this year. The association's ten members, which account for about three quarters of world bauxite contput, and just over a half of alumina production, lamented the fact that "the benefits (of the aluminium price rise) had not yet flowed into the bauxite sector." Mr Hugh Hart, Jamaica's Mining Minister, said this was because oversaid this was because over-capacity and over-production in the crude bauxite industry. Returns to refiners produc-ing alumina were also low, Mr Hart said, although the price for the product was strong. He blamed this on the increased

cost of caustic soda — a major factor in bauxite refining costs — from \$100 a tonne last year to \$600 this year. Nevertheless, Mr Hart said the world bauxite industry "is ently in good health and is certainly better than it was over the last few years."

suggested.
"While the industry cannot be overly cautious in regard to future capacity to meet future growth, it is important that additional capacity should be realistically measured and developments proceeded with accordingly."

accordingly."
The association's members include Australia, Guinea and Jamaica, the world's three leading producers of the ore, with Indonesia, India, Yugoslavia, Sierra Leone, Ghana, Strinam and Guyana.
When it was launched in

Strinam and Guyana.

When it was launched in 1974, metals companies feared they, would be faced, with an Opec-type cartel. This has not materialised, and representatives of member countries have said repeatedly that it bauxite was never their intention.

The IBA, they said, served its members through the exchange of information and ideas on developments in the exchange of information and ideas on developments in the industry, and offered a guide for price setting. Each year it recommends minimum prices for bauxite and alumina which are pegged to the aluminum prices with the intention of

giving ore producers a share of any increases gained by the metal producers. Such has been the increase in aluminium prices, however, that the association has reduced the bases for its recommended minimum prices. "The market situation has strongly benefitted the price of aluminium and the IBA is in a position to lower the minimum recommended prices to reflect what is happening in the mar-ket," explained a senior official at its Kingston headquarters. "When we had set the 1988 prices no one anticipated the

minium prices this year."

The official said member countries were not bound by the recommended minimum prices, and that some members often sold below what the IBA suggested in order to maintain or increase their market share. The association's ministerial The association's ministerial council has recommended that the minimum price for metallurgical base-grade bauxite sold in 1989 should be between 2 per cent and 2.5 per cent of its reference price for primary aluminium ingot. This is the weighted average of prices in major markets in North America Europe and the Far East. ica, Europe and the Far East.
For this year the recommended
minimum price for bauxite is
between 2.5 per cent and 3.5
per cent of the reference price.

extent of the increase in alu-

per cent of the reference price.
For alumina, next year's recommended price is between
12.5 per cent and 14 per cent of
the reference price for aluminium ingot, down from between
14 per cent and 18 per cent for
this year. Several member countries are reported to agree that in its 15th year the IBA should make a concerted effort to widen its a concerted effort to widen its membership in the hope of increasing its strength in rep-resenting crude bauxite pro-ducers. The targets are Brazil and Venezuela, among the leading producers in Sonth

America.

Brazil responded to earlier approaches by accepting the status of an observer to the IBA, but has shown little interest in joining the association.
"Brazil would be a big catch
for the IBA," said one Carib-bean delegate to the ministe-rial conference. "But Brazil's industry is doing very well

without us.
Dr Pretaap S. R. Radhakishun, Surinam's Minister for Natural Resources, is supporting the effort to recruit Brazil and Venezuela. "If we do not strengthen our collective position, of which the IBA is nothing more than a reflection, I fear the worst during another crisis," he said.

ating Board and South of Scot-

land Electricity Board, the

South Korean Power Board

and the Japanese Kansai util-

The second secon

anxious to dispose of the Community's wine lake, however, if onlybecause once it has gone (even if it is effectively given away) the slate is wiped clean, ready to test whether new efforts to provent new controls) have resulted this year in a harvest some 30 per cent below that recorded in Obviously, officials hope that Obviously, officials hope that the current agreement will do better. The stick they have wielded is stronger than that of tha Dublin settlement, for there will be awingeing reductions in the price paid for wine which must be distilled. In 1987-88 producers received a weighted average of 50 per cent of the minimum support — or guide — price for the first 12.5m hl sold for distillation and 40 per cent of the guide **METALS** rising, but from only five litres price, with the intention of All prices as supplied by Metal Bulletin (last week's prices in a head in 1970 to about 10 litres today, which barely makes a efforts to prevent such surpluses recurring will be The aim of the new stabiliser is to reduce the acreage under vines throughout the Commu-In the 1980s there have been For the critical problem about wine in the EC is that

brackets).
ANTIMONY: European free market 99.6 per cent, \$ per tonne, in warehouse, 2,000-2,050 (2,040-2,085). vines throughout the Community by 30 per cent or some 700,000 ha in the next eight years, which many observers believe is ambitious.

There are also doubts on that whether the swingeing price cuts will have the desired offert.

market, min. 99.99 per cent, \$ per lb, tonne lots in warehouse, .05-6.15 (6.00-6.10). CADMIUM: European free market, min. 99.5 per cent, \$ per lb, in warehouse, ingots

market, 99.5 per cent, \$ per lh, in warehouse, 7.50-7.70 (same). MERCURY: European free

MOLYBDENUM: European free market, drummed molyb-dic oxide, \$ per lb Mo, in ware-bouse, 3.45-3.50 (same). SELENIUM: European free market, min 99.5 per cent, \$ per

free market, standard min. 65 per cent, \$ per tonne unit (10 kg) WO, cif, 55-63 (same).
VANADIUM: European free market, min. 98 per cent, VO, cif, 6.20-6.70 (6.00-6.30). URANIUM: Nnexco

US MARKETS

First Olympic Dam uranium loaded

By Chris Sherwell in Sydney

THE FIRST shipment of yellowcake (uranium oxide) from Olympic Dam — Austra-lia's third uranium mine under the Government's restrictive three mine policy - was under way yesterday despite noisy demonstrations: from: antinuclear protesters.

The 120-tonne consignment was being loaded at Port Adelaide for shipment to Sweden's State Power Board: Also on board was 2,000 tonnes

of copper from the mine in a

total shipment worth A\$16m Olympic Dam is a A\$750m foint venture between Western Mining and British Petroleum located hundreds of feet beneath the aild plains of South Australia. It has the world's biggest uranium ore body, and its development was the subject of political contro-

CRUDE OIL (Light) 42,000 US galls \$/barnel

ity. Further Japanese contracts are being sought to replace South-African supplies. which will be the only one this year, a convoy of ten trucks, two recovery vehicles and a versy for years. police escort travelled for ten 'Apart from Sweden, the comhours from the mine to Port Adelaide, arriving at around 2.30 yesterday morning. panies have contracts with the UK's Central Electricity Gener-

Chicago

LONDON MARKETS

In Britain consumption is

COFFEE prices fell in late trading yeterday, finally giving way to pressu from sterling's rise against the dolla traders said. Chances of an increase ICO export quotes remained the co lenger than previously expecte because of the decline in New Yo prices on Monday. New York trade higher yesterday, but mainly because of the week dollar. Cocca prices we little changed as the marketcontinu-to wait for news of the proposed de to wait for news of the proposed dea between France and the iver Coast. The strength of eterling depressed copper prices, which in the afternoon centinued to reflect at erratic Comex, traders said. Aluminium tracked copper downwards in the absence of fresh fundamental news The nickel market remained on the defensive following as oversubscriber to Market tender an Monday. US Mint tender on Monday.

SPOT MARKETS		
Grade oil (per berret FOB)		+ or -
Dubai	\$11.80-90q	-0.58
Brent Blend	\$14,15-25x \$14,95-88q	-0.40
W.T.L (1 pm est)		
ON products (NWE prompt delivery per t	come CIF)	+ or -
Premium Gesoline	\$183-186 \$136-139	-1 -2
Gas Oli Heavy Fuel Oli	267-60	4
Nachiti	\$139-141	-2
Petroleum Argus Estimates		1
Other	-100.76	+ or -
Gold (per troy oz)	\$422.75 810c	-0.75 -6
Silver (per troy oz) Pletinum (per troy oz)	\$587.8	-1.2
Patiedium (per troy oz)	\$127.50	-0.25
Aboutolism firms market)	#2406	-15
Country (US Producer)	165-168 40-kg	+92
Leed (US Producer)	640c	
	£4037.5	-10.0
The IKusta Company	19.59r 343.50	+0.10 +1.0
Tin (New York)	\$1500	
Zinc (US Prime Western)	70%c	
Carte (live weight)	114.28p	+0.48*
Chase (dead weight)	171.05p	-4,72° +0.22°
Plas (live weight)	78.96p	
the state of the second (COM)	\$204z	-24 -2
London daily sugar (white) Tate and Lyle export price		2
Tate and Lyne water	£113q	
Bertey (English feed) Matze (US No. 3 yellow)	£128x	
Wheat (US Dark Northern)	2113x	-2
Rubber (spot)♥	66.5p	-0.5
Rubber (Jen)♥	61.50	-0.5
	62.5p	-0.5 -0.5
Rubber (KL RSS No 1 Dec	A-20-	
Coccept of (Philippines)s	\$556w \$390.00x	-5 -8.75
Palm Oil (Malaysian)s	\$370x	-6.70
Copra (Philippines)* Soyabeans (US)	\$1762	
Colson "A" index	89.30c	+0.25
Wookens (84s Super)	\$10p	
	stated, p-oc	ince/kg.
C a tonne unices officeration occupation r-ringgit/kg. 3-04		

3	COCOA	SAMPA			
•	-		Decidons	Line of any	
88-		Close	Previous	High/Low	
Jre .	Dec	855 882	863 863	863 647 867 866	
ar,	May	878	872	860 562	
In	Jul	881	874	881 866	
313-	Sep	881	878	884 868	
ke		905 910	909	904 897 909 889	
ed	Mar				
ork	Turnove	r: 7711 (2	O18) lats o	s per tonne). Deliy	
ed	orige for	New 28:	1122.49 11	114,45):10 day aver-	
10			106.42 (110		
ed aal	COFFEE	£/tonne			
ry		Close	Previous	High/Low	
ng	Nov	1057	1068	1080 1054	
ha	Jen	1007	1063	1079 1089	
2n	Mar	1006	1083	1072 1082 1088 1080	
ım	May	1001	1079	1088 1080	
hs	Jly Sep	1062	1078 1076	1088 1080 1086 1086	
VS.	Nov	1005	1076	1065 1064	
he	Turnove	C3511 (2)	105) lota of	O tormes	
ed	Nov 26:	Comp. o	ces (US or selly 113.12	ints per pound) for 2 114,49); . 15 day	
-	everage	114.28 1	14.28).		
-	-	(3 per to			
W -					
3	Raw	Close	Previous	High/Low	
	Dec	263.00	258.00	253.00 251.00	
-	Mar May	256.40 248.00	240,80	256.40 246.00 248.00 240.40	
* -	Aug	241.60	235.60	241.40 233.20	
_	Oct	237.80	232.20	238.00 230.25	
	White	Clove	Previous	High/Low	
	Mar	209.00	283.00	289.00 262.00	
	May	282.00	277.50	282.00 277.00	
_	Aug	202.00 277.00	275.00	262.00 278.00 277.00 274.00	
<u>r -</u>	Dec	272.00	273.60	275.00	
5	Mar	274.00	272.50	274.00 272.00	
	Turnove	r: Flaw 4	481 (9061)	lots of 50 tonnes.	
5	White St	10 (846).		e): Mar 1709. May	
_	1677. Az	nd 1680. C	Oct 1850, D	oc 1630, Mar 1625	
2_	LONDO	I MITAL	EXCHANGE	THADED OFTIONS	
18 D	Alaminic	an (99.75	() C	alis Puts	
-		rice \$ ton		Mar Jun Mar	
_	2250				
46"	2350		175 115	167 48 128 122 85 181	
_	2450		71	67 140 243	
22"	Conner	(Grade A)	C	alis Puta	
	2950	,_,_,,	351	276 74 251	
	-				

r, In	Mary	878 881	872 874	881 865	
n-	Sep	881	878	884 868	
(0)	Mar	905 910	908	904 897 909 899	
d					
rk d	ICCO in	diedor c	prices (SDF	f 10 tonnes Is per tonne). Delty
ie.	price to	Nov 28	1122.49 1	s per tonne 114,46):10 d	sy aver-
	age for	Nov 29:	1106.42 (11	02.50) .	
d					
aľ	COFFEE	£/tonne			
Y		Close	Previous	High/Low	
g	Nov Jen	1057 1067	1068 1063	1060 1054 1072 1062	
n	Mar	7006	1083	1072 1082	
m	May	1001	1078	1088 1080 1088 1080	
5	Jiy Sep	1062	1076	1066 1066	
6. 10	Nov	1000	1076	7065 1064	
d	Turnove	r:3811 (2	305) lota of	O tormes	
-	ICO Ind	Como	delly 113 to	ents per po	15 day
_	average	114.28	114,28).	O torsnes ents per po 2 (114.49); .	
_					
-	SUGAR	(3 per to	nne)		
	Raw	Cicee	Previous	High/Low	
	Dec	263.00	255.00	253.00 251	
_	Mar	256.40	248.20 240.80	256.40 246. 248.00 240	.00 40
r -	Aug	248.00 241.60	235.60	241.40 233.	20
_	Oct	237.80	232.20	238.00 230	26
	White	Close	Previous	High/Low	
	Mar	289.00	263.00	289.00 262	.00
	Aug	282.00 282.00	277.50 277.50	262.00 277	00
-	Oct	277.00 272.00	275.00	282.00 277. 262.00 278. 277.00 274. 275.00	.00
_	Dec Mar	274.00	273.60 272.60	274.00 272	d0
		r Dine /			
	White 9	10 (848).		lots of 50 e): Mar 17 ec 1630, Ma	
_	Parts- 1	Mhite (FF	r per tons	io): Mar 171	1825
		ag 1500) 1		40 (440) 444	
_	LONDO	I MITAL	EXCHANG	THADED (TIONS
9	Alamini	um (99.77	6) C	alis (Puts
	Strike o	rice \$ tor	ne Jen	Mar Jun	Mar
_	2250		175	167 46	128
	2350		115	122 46	181
2°	2450		71	87 140	543
_		(Grade A			100
	2950 3100		351 255	276 74 214 127	251
-	3300		157	150 226	477
					\neg
_	COTT				. 1
	LIVER	POOL-Sp	ot and ship	ment sales i	1400
	tonnes	acainst :	3060 tonnes	25 came to	ous
_	WORL	Orders M	igved lest v	MEN ANDOGENSIN	• (
-	Interes	ordens m a mainly !	igved lest v	rish moderas and West Ali	• (
_	WORL	ordens m a mainly !	igved lest v	MEN ANDOGENSIN	• (

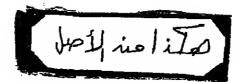
C and F Dundee BTC \$485, BWC \$495, BTD

Ceah 3 mont	2375 hs 2317	-85 -20	2406-15 2330-5	2345/2320
Akmele	lara,90.57	, purity (S	per tonne)	
Cosh Dec. 2	1230 1230	40 40	1250-60 1250-60	1238/1235
Сорре	, Grade A	(E per to	nne)	
Gesti 3 mont	1858 248 1656	-63 -7	1897-902 1677-8	1895/1885 1680/1648
Silver	US centr	fine ounc	0)	
Cash 3 mont	604-4 he 618-4	-	613-6 627-30	
	per lane		02/-00	
Cash	300.5	-2.5	391-3	393,5/393
3 mont			367-8	389/385
Cash	3 per ton	ne) D-100	14000-100	14275/14050
3 mont			12900-60	12825/12700
23ac, 9			3 per tonne)	
Cash 3 mont	1050 he 1563	-70 -70	1555-80	1000/1670
	per lonne		1335-35	
Ceah	1655	-85	1640-5	1674
3 mont	hs 1538	-	1521-3	1550/1500
BOTAT	OES Chor	_		te
PULL	Close	Previou	s High/Low	— <u> </u>
Feb	65.0	96.0		
Apr	96.5 112.5	98.0 111.0	95.2 94	å Oj
Nov	87.0	85.0		&
Turnov	or 134 (16	icij lots of	40 tonnes.	De
SOYAB	PAN 157	1. Clume		<u> </u>
	Close	Previou		<u>~</u>
Dec Feb	159.00	163.00		84
Feb Apr	164.00 164.00 154.50	169.00 165.00 156.00	186,00 160 186,00 160 153,00	1.50 M
Apr Jun				Kr
Turnov	er 92 (40)	lots of 2	200000	1.50 U.S 2.00 Ar 1.00 Kr
FRESE	п гатия	Ex \$10/2 nd	dest codest	
	Close	Previou		
Nov	1511	1509	1512 1510	Sp
Dec Jan	1503 1519	1526	1522 1500 1540 1517	S (
Apr	1545	1566	1570 1545 1355 1350	_
88	1510	1368 1511		a
Tomov	w 465 (22	9)		
COANN	E/tonne			Ja
Wheet	Close	Previous	s High/Low	— Ř
Jan	110,75	171.15	111.05 110	70
Mar	113.85	114.15	114.40 113	. 85
May Jun	117.10 178.90	117.55 119.15	117 40 117 118.90	.10
Sep Nov	102.55	102.60	102.60 102	
			10-100	De
Berley	Clase	Previous	High/Low	Jes Fel Ma
Jes	106.90	107.45	107.30 106	
Mar	110.10	110.45	110.20 110	iZ

								_					
	Close		revious	High/Low	AM Officia	Kerb clo	ee Open Interest		HE ME	TALS	d and all	iver prices	
white	m, 94.7%	purity (\$	per tonne)			Ring	turnover 9,200 tonn					elling was	
igh months	2375-6		9405-15 230-5	2345/2320	2400-5 2330-3	2320-3	21,492 foto			ts Drexel			
and de	m,50.5%	purity (£ ;	oer tonne)			Rin	turnover 250 tanne			re as firs			
et: c. 21	1230-4		250-60 250-60	1238/1235	1238-40 1238-40	·	14,081 lots			Stability			
		£ per ton			1200-10	Filing t	urnaver 25,875 tonne	cop	per. Vol	ume was	lighter t		
sh	1858-0		897-902	1885/1885	1880-5	32				ssions. T		ouving late	
months			677-8	1680/1648	1676-7	1649,60	68,213 lota	_ lott	e day	allying pr	rices up	33 in	
ab	604-5	ne ounce)	13-6		609-12	*	Ring turnover 0 az	_		idening of			٠.
months			27-30		623-6	•	430 lots	7620	ction. C	offee futur	res agair	had '	
ed (R p	er lanne					Ring	turnover 5,900 tonne			cocoa fut		uter price	
sh nontis	390.5-6 396-6		91-3 67-8	393,5/393 389/385	383-4 385-9	306-7	11,084 lots	503	sion. In	the grain	markets		
chel (3	per tonne)				file	turnover 864 toone			is who so		and	
ah nontha	14000-		4000-100 2900-68	14275/1400		12750-80	5.590 lots	sup	plied the	e late rail by softer	y. Soytte	eal was	
ıc, Spo	cial High	Grade (3	per tonne)				turnover 1,000 taxne	casi	h marke	t. Oil war	soft on		
sh _	1000-7			1000/1670	1685-90					ort news		re listiess	
DONUNG.		0 1	555-60		1565-70	1570-60	1,411 lots	- httvi		e wheat			
	1665-6		640-5	1074	4074.0	Athig to	emover 14,200 toxes	new	s of upo	coming S	oviet pur	chases, in	
ah noniha			521-3	1674 1560/1500	1674-6 1543-5	1545-8	12,103 lots			mixed tra attie took		he bellies,	
										ing and n			
TATOR	S Chonn	•			LONDON SQL	Lich Mark	27 .	WOR	k funda	mentals. vs back s	The ener	gy	
	Close	Previous	High/Low		Gold (fine ez) \$	price	Snelaviupe 3					orbs meta	
	65.0 96.5	96.0	952 948		Cicee 4 Opening 4	22 2-423 22 2-423	228 4-2294 229 2-230			ers throug			
7	112.5 87.0	111.0			Morning fix 4	22.10	229,029		_				
TOO WOOD		lots of 4	C tonnee.		Day's high	23.10 23 ¹ 2-424	229,447	Ne	T. We	ork		1.71	
		,			Day's low	21 2-423		GOU	100 troy	CZ.; \$/troy	<u>.</u>		
YABEA	IN RELAL	Course		_	Colms 5	price	£ equivalent		Close	Previous	High/Lox	W .	
	Close	Previous	High/Low			35-440	23512-23612	Dec	421.9	423.3	424.7	421.2	
	160.00	163.00		_	Britannia 4	35-440 35-440	2351 ₂ -2381 ₂	Jan Feb	424.8	425.8 427.0	425.0 428.3	425.6 426.6	
	164.00 164.00	169.00 165.00	166.00 163.5			33 5-436 5	23512-23812 23412-23714	Apr	432.5	433.2	434.4	431.4	
	154,50	156.00	153.00		Krugerrand 4	22-425 .	22812-232	Aug	438.1 444.0	414,7	440.2	457.7	•
mover	92 (40) 1	ots of 20	ionnes.	_	Old Sev. 9	8 ¹ 2-100 ¹ 2 8 ¹ 2-100 ¹ 2	53 k-54 2 53 k-54 2	Oct	440.9	450.6	0	0 455.1	
					Noble Plaz 5	R2.75-602.55	322.30-327.35	Dez Feb	455.7 427.1	456.2 427.9	407.8	428.5	
вант	FUTURE	# \$10/Inde	nt point		Stirrer for p		110	PLATE	100 MILES	rby oz; \$/b	oy oz.	•	•
	Close	Previous	High/Low			OS SE	US ets equiv	. =	Close	Previous	High/Low	•	
	1511 1503	1509 1528	1512 1510 1522 1500		3 months 3	43.45.	626.15	Jan	584.4	506.7	500.0	579.0	
	1518	1539	1540 1517			54.60 · 75.70	642.65 672.10	Apr Jul	582.4 563.4	584.7 585.7	887,0	577.5 581.0	
	1545 1360	1566 1368	1570 1545 1355 1350				42.10	Oct	585.0 590.1	565.2	557.5	584.0	
	1510	1511	1000 1200				· ·	-		502.4	<u> </u>	<u> </u>	
TIOVET	465 (289)	,			CRUDE OIL \$4				Cicee	Previous	High/Los		
					Jan 13		28 High/Low 14.25 13.95	Dec	803.0	611.5	614.0	600.5	
APR E	/Itonne				Fets 13.	55 14.55	14.17 13.85	العال	608.7 °	\$17.2	616.7	616.7	
	Close	Previous	High/Law		IPE Index 14.	51 14.19		Mar May	618,9 629,2	627,1 637.5	629.5 639.9	615.5 628.0	
		171.15	111.05 110.7		Turnover: 4636	(12173)		Jul	630.9	848.5	649.5	640.0	
		114.15	114.10 113.8					Sep Dec	650.2 668.0	655.0 675.0	672.0	664.0	
		117.55 119.15	117 40 117.1 118.90		GAS QL \$/tono	•		Jer	671.0	680,1	0	0 .	
P 1	102.55	102.60	102.00 102	5	Close	Previous	High/Low	Mar	982.9	1982.7	8	8	••
y 1	104.90	105.00	104,90		Dec 137.00		140.50 137.00	COPP		ibs; ceats/	be	<u> </u>	
					Jan 135.25 Feb 135.25		139.50 135.50 138.00 134.50		Close	Previous	High/Low		
	Jase	Previous	High/Low		Mar 131.00		133.00 130.75	Dea	153.50	154.80	154,50	151.00	•
		107.45 110.45	107-30 106.9		Apr. 127.50	132.50	130.50 126.50	Jen Mer	144.00 133.00	144,30	144,00 133,50	143.30. 130.10	
1 1	10.16	107.45 110.46 112.45	107-30 108.9 110:20 110.7 112:25	· .		132.50 130.00 129.00	130.50 126.50 129.50 128.75 125.00 122.00 123.00				144,00 133,50 123,00 119,00		

14.87 14.76 14.77 14.80 14.80 14.75 14.97 ambert. Switch activity was also a major feature as first notice day approaches. Stability in warehouse stocks prompted local seiling in the copper. Volume was lighter than previous sessions. The soft commodities featured trade buying late in the day railying prices up 33 in March. A widening of the July/March spread contributed to the bullish good spec selling against Reuter price fix buying. Cocca futures had a quiet session. In the grain markets, the soy professionals who sold early and supplied the late raily. Soymeal was pressured by softer underlones in the Class Pres pressured by softer underlone cash market. Oil was soft on profit-taking. Corn futures were listless with no export news to report. Trade buying in the wheat was sparked by news of upcoming Soviet purchases, in the meats, mixed trading in the beliles, hogs and callie took place as short-covering and rollovers offset weak fundamentals. The energy 123.80 123.18 723.06 122.51 122.81 122.33 122.15 127.96 120.96 127.46 120.81 120.35 119.36 117.96 weak fundamentals. The energy markets gave back some of the gains made on Monday as trade groups we steady sellers throughout the day. New York 500.0 557.0 550.0 557.5 803.0 808.7 818.9 829.2 639.9 650.2 698.0 671.0 982.9 ER 25,000 lbs: conts/ba 154.80 144.30 132.30 721.00 115.00 112.70 151.00 143.30 130.16 119.00 114.50 1 12.50 DOW JONES (Same: Dec. 31 1974 = 100)

SOT				
	ABRANS 5	,000 bu min;	cents/60th	cinhal
	Close	Previous		
Jan	753/6	749/4	755/0	739/0
Mar	TROVA	762/4	788/0	752/0
May	770/4	766/4	77254	757/0
Aug	770/0	755/6	771/0	758/4 749/0
Sep	714/0	711/0	714/0	704/4
Nov	682/G	685/2	686/4	676/0
Jan		091/4	692/0	684/0
SOY	ABEAN OF	_00,000 fbs;	cents/fb	
	Close	Previous	High/Lov	
Dec	21,22	21.27	21.44	21.10
Jan Mar	21,59	21.05	21.75 22.26	21,41
May	22.66	22.73	22.77 .	22.45
Jul	23.10	23.17	21.25	22.85
Aug Sep	23.30	22 35	23.45 23.50	23.16 23.30
Oct	23.37	23.40	23.55	23.30
SOY	SELL ME	AL 100 tons	Shore	
	Close	Previous	High/Low	
Dec	263.1	244.8	244.2	238.6
Jan	244.6	245.2	245.5	240.7
Mar .	244.2 240.7	244.5 -	245.0	240.1
May Jul	237.0	285.5	241.0 237.8	237.0 238.0
Aug	230.7	231.2	251.0	228.0
Sep Oct	221.0	234.5 ·	210.0	219.0
- 12		mirr; centu.		
	Cicee	Previous	High/Low	
Dec Mer	256/6 257/0	257/2 200/6	259/0	251/6
May	272/2	271/4	273/4	262/0 267/4
Jur :	274/2	273/2	275/0	270/0
Sep 1	253/4	258/4	260/6 255/8	250/4 252/0
Mar	- 258/4	253/4	261/0	250/0
	T 5,000 bo	min; cents/	60lb-bushel	
·	Close	Previous	High/Low	
Dec	423/4	418/4	423/6	416/4
Mar	427/0	424/0.	42770	422/0
Vey ki	413/0 382/2	409/4 381/2	413/0	408/4 879/4
Вер	386/0	395/0	382/4 386/4	384/4
Dec	396/0	394/0	396/0	392/4
100	ATTLE 40	.000 ibe; cer	40.70	
EYE.			ath little	
TYE	Close	Previous	High/Low	<u></u> -
Dec	73.10	Previous 73.27	High/Low	72.90
Dec Falb	73.10 73.10	73.27 - 73.57	High/Low 73.62 73.75	72.90 72.86
Dec Feb	73.10 73.10 73.10 74.17 72.53	Previous 73.27	73.62 73.75 74.65	72.85 74.65
Dec Feb Ior Ion	73.10 73.10 74.17 72.50 70.47	Previous 73.27 73.57 74.42 72.90 70.77	73.62 73.75 74.65 72.90 70.80	72.85
Dec Feb Ipr Ion Ion	73.10 73.10 73.10 74.17 72.50 70.47	Previous 73.27 73.57 74.42 72.90 70.77 59.80	73.62 73.75 74.65 72.90 70.80	72.85 74.65 72.35 70.30
Dec Fab Apr Jon Aug Sep'	73.10 73.10 73.10 74.17 72.50 70.47 60.20 69.37	Previous 73.27 73.57 74.42 72.90 70.77 69.80 69.47	73.62 73.75 74.65 72.90 70.80 0	72.85 74.65 72.35 70.30
Dec Fab Apr Jan Aug Sep' Dat	73.10 73.10 73.10 74.17 72.53 70.47 69.80 69.37	73.27 73.57 74.42 72.90 70.77 60.60 60.47	73.62 73.62 73.75 74.65 72.90 70.80 0 69.80	72.85 74.65 72.35 70.30
Dec Feb Apr Ang Sep Oot	73.10 73.10 73.10 74.17 72.53 70.47 69.80 69.37	Previous 73.27 73.57 74.42 72.90 70.77 60.80 60.47 Previous	High/Low 73.62 73.73 74.65 72.80 70.80 0 69.60 bs	72.85 74.65 72.35 70.30
Dec Falb Apr kan Aug Sep Oot	73.10 73.10 73.10 74.17 72.53 70.47 69.20 69.27 IOGS 30.0 Close	Previous 73.27 73.57 74.42 72.90 70.77 69.80 69.47 70 by contar/ Previous 38.82	73.62 73.75 74.65 74.65 74.80 70.80 0 69.60 be Highflow 40.10	72.86 74.65 72.36 70.30 0 69.35
Dec Fab Apr Ion Adg Gep Oet LIVE I	73.10 73.10 73.10 74.17 72.53 70.47 60.20 69.37 1098 30.0 Close 38.47 42.65	Previous 73.27 73.57 74.42 72.90 70.77 69.80 69.47 70 lbs contar/ Previous 39.82 43.62 42.72	73.62 73.75 74.65 72.90 70.80 0 69.80 bs Highflow 40.10 48.75	72.86 74.65 72.35 70.30 0 69.35
Dec Feb Ign Idn Idn Idn Idn Idn Idn Idn Idn Idn Id	73.10 73.10 73.10 74.17 72.53 70.47 89.80 69.80 10.98 30.0 Close 39.47 43.40 42.85 46.82	Previous 73.27 73.57 74.42 72.90 70.77 58.80 69.47 70 lb; conta/1 Previous 38.82 43.62 42.72 48.32	73.62 73.75 74.65 72.90 70.80 0 69.60 bs HightLow 40.10 42.75 42.87	72.86 74.65 72.36 70.30 0 69.35
Dec Falls Apr Jan Aug Sep Oot LIVE II Dec Feb Apr Jun Aug	73.10 73.10 73.10 74.17 72.53 70.47 69.80 69.37 1048 30.00 Close 43.40 42.65 47.00	Previous 73.27 73.57 74.42 72.90 70.77 69.80 80.47 Previous 38.82 43.62 42.72 46.32	73.62 73.75 74.65 72.90 70.80 0 90.80 be High/Low 40.10 40.75 42.87 42.87 47.05	72.86 74.65 72.35 70.30 0 99.35 39.40 42.52 48.20 48.67
Dec Falb Aprilan Aug Sep Dec INSE II Varian Aug	73.10 73.10 73.10 74.17 72.50 70.47 89.80 69.87 69.87 69.87 48.40 42.45 47.00 46.82 47.00 45.20	Previous 73.27 73.57 74.42 72.90 70.77 58.80 69.47 70 lb; conta/1 Previous 38.82 43.62 42.72 48.32	73.62 73.75 74.65 72.90 70.80 0 69.80 40.10 40.10 42.77 47.05 48.50	72.85 74.65 72.35 0 00.35 38.40 42.20 48.20 48.67 48.67
Dec Feb Apr Kan Aug Sep Oes Teb Apr Kun Aug Oes	73.10 73.10 73.10 74.17 72.53 70.57 60.50 60.57 10005 50.00 Glose 30.47 43.40 42.55 48.40 47.00 45.26 43.26 44.80	Previous 73.27 73.57 74.42 72.90 70.77 69.80 69.47 Previous 38.82 43.62 42.72 46.32 46.72 45.30 44.65	73.62 73.75 74.65 72.90 70.80 0 69.80 bb Highflow 40.10 48.75 42.87 47.05 46.50 45.00	72.86 74.65 72.35 70.30 0 99.35 39.40 42.52 48.20 48.67
Dec Feb Apr Isin Adg Sep Oot UNE Is Teb Apr Isin Isin Isin Isin	73.10 73.10 73.10 74.17 72.53 70.57 60.50 60.57 10005 50.00 Glose 30.47 43.40 42.55 48.40 47.00 45.26 43.26 44.80	Previous 73.27 73.57 74.42 72.90 70.77 69.80 69.47 70 lb; contar/ Previous 36.82 42.72 45.72 45.20	73.62 73.75 74.65 72.90 70.80 0 69.80 bb Highflow 40.10 48.75 42.87 47.05 46.50 45.00	72.55 74.65 77.35 0 93.35 38.40 47.32 48.20 48.20 48.20 48.20 48.20 48.20 48.20 48.20
Dec Falb Apr Jan Adg Sep Oat LIME II Dec Feb Apr Jun Aug Oct Dec	73.10 73.10 74.17 72.51 70.47 60.20	Previous 73.27 73.57 74.42 72.90 70.77 69.80 69.47 Previous 38.82 43.62 42.72 46.32 46.72 45.30 44.65	73.62 73.75 74.65 72.90 70.80 0 69.80 bs Highflow 40.15 42.75 42.87 47.05 44.00 45.00	72.55 74.65 77.35 0 93.35 38.40 47.32 48.20 48.20 48.20 48.20 48.20 48.20 48.20 48.20
Dec Felb Apr	Glose 78,10 73,10 74,17 72,517 70,47 70,47 70,47 70,47 89,20 69,20 69,20 49,40	Previous 73.27 73.57 74.42 72.90 70.77 80.80 69.47 70 lb; contar/ Previous 39.82 43.82 42.72 45.30 44.65 8.000 Res; cc	73.62 73.75 74.65 72.90 70.80 0 60.80 bs High/Low 40.75 42.75 42.87 47.05 46.00 45.00 High/Low	72.55 74.55 72.35 70.30 0 98.35 98.35 98.35 42.20 42.52 44.50 44.65 44.60
Dec Feb Apr Dec	Close 72.10 73.10 73.10 74.17 72.51 70.47 69.20 69.20 69.20 69.20 69.20 43.40 43.40 44.40 44.40 44.40 44.40 44.40 45.42 47.00 46.42 48.42 47.00 46.42 48.42 47.00 46.43 48.43 48.43 48.43 48.43 48.43 48.43 48.43 48.43	Previous 73.27 73.57 74.42 72.90 70.77 59.80 69.80	73.62 73.75 74.65 72.80 70.80 9 69.80 bs Highflow 40.10 40.17 40.17 40.10 40.77 41.00 45.70 45.00 45.00 45.00 45.00 45.90 45.90	72.55 74.35 70.30 0 93.35 38.40 43.20 48.2
Dec Feb Ver Ver Sep Oes Bor Ver Ver Ver Ver Ver Ver Ver Ver Ver Ve	Glose 78,10 73,10 74,17 72,517 70,47 70,47 70,47 70,47 89,20 69,20 69,20 49,40	Previous 73.27 73.57 74.42 72.90 70.77 80.80 69.47 70 lb; contar/ Previous 39.82 43.82 42.72 45.30 44.65 8.000 Res; cc	73.62 73.75 74.65 72.90 70.80 0 69.80 40.10 40.10 42.75 42.87 42.87 47.05 46.50 45.00 45.00 45.00	72.55 74.55 72.35 70.30 0 98.35 98.35 98.35 42.20 42.52 44.50 44.65 44.60



LONDON STOCK EXCHANGE

Equities fail to sustain early rally

THE LONDON stock market did its best to manage a techni-cal rally yesterday after two sessions of aliding share prices. bnt was hald back by the renewed weakness of the US dollar.

MAIN F WHILE TO IN

An early gain of 12 FT-SE points was whittled sway as the fall in the dollar fuelled concerns that US interest rates might be forced higher, and might be lorted migher, and put similar pressures on Lon-don markets which are still grappling with last week's jump to 13 per cent UK base

The initial improvement in equities, which owed more to marking up operations by mar-

Dec 22 Last Dealings: Nov 25 Dec 23 Dec 6 Dec 19 Jan 9

ketmakers looking for stock than to genuins investment interest, faded fairly quickly. London looked uninspiring at the close.

Some blue chip stocks, nota-bly ICI and British Airways, tions of sterling's strength, and

FT-A All-Share Index

The slide in crude oil prices

amid worries that the OPEC agreement to cut output may not succeed, caused plenty of turbulence in the oil and gas

In much reduced turnover

RP old closed a shade off at 245p and the new a similar

amount down at 144%p. Shell,

despite growing optimism that the fortb coming scrip issus

will bring a flurry of support for the shares, closed a few pence off at 983p. There was

modest support for British Gas, which ended the session a fraction up at 157p — "a credit-able performance given last Friday's bombardment," one

senior trader in oils com-

But there was keen interest for Burmah and Calor with the

latter heavily bought after a

spate of buy recommendations

during the past week. The shares were finally 3 firmer at

386p, after 387p; Citicorp, commenting on the the recently

announced interim figures, rates the shares a "strong buy," while County NatWest and Hoare Govett both high-

light the group's "attractive

and sound yield".

Premier Consolidated put on

920

900

880

for ICL."

attracted buyers following their recent losses. Gains were cut back towards the end of the session, however, and sor international stocks closed

Oil shares were slow to respond to the Opec agreement to aim at \$18 a barrel oil prices and US support was lacking in late dealings . Financial stocks continued

to attract buyers seeking sec-tors likely to benefit from the increase in domestic interest rates. UK housebuilding issues rsmained out of fevour although Hambros, the UK financial group which has a house sales subsidisry

Equity Shares Traded

Tumover by volume (million)

Sep.

pany's financing costs.

The issue of the diversified

engineer Fairey, two years

after the group became inde-pendent following a manage-

ment buyout, was over-sub-scribed, but failed to sustain an

initial premium in the first day'e trading. The sbares touched 157p in early trading,

but later fell back to 154p, a

Mountleigh gathered late momentum with the market

of 210p per share this morning.

This would be from a US-based

consortium and not major stak-

eholder, the Galieras consor-

tium, so the gossip went. Mountleigh shares broke from

a trot into a run to end 81/2

regarded as the Property sec-tor's leading takeover con-tender, jumped 16 further to

387p while Hammerson "A" advanced 12 to 884p awaiting developments in the bid situa-

tion. Leading issues also rose

but were slightly overshad-owed by the gains in stocks such as Imry Merchant, 13 up

at 428p, and Priest Marians, 8

recent progress, with dealers citing the sector's traditional

strengths during periods of high interest rates. Midland.

especially, was heavily bought and raced up 10% to 422p, albeit in rather thin trading of

around a million shares. Gains

tered by Barclays, 418p, Lloyds, 327p and NatWest,

Merchant banks picked up with Morgan Grenfell strongly bought and finally 8 to the good at 305p with the market

The banks maintained their

Great Portland, generally

deher at 1890%.

dearer at 403p.

sounding to stories of a bid

penny below the offer price.

600

400

300

200

stressed that the housing downturn could be "shorter and less serious" than some

At the close, the FT-SE Index showed a gain of 5.4 points et 1786.9, still 2.5 per cent down since Friday's announcement of s record monthly UK trade deficit for October. Seaq trad-ing volume, incorporating both retail and inter marketmaker trading, declined to 408.4m shares from Monday's 421.4m. The takeover sector showed signs of revival in the wake of the Hanson group's plans to increase its borrowing limits.

While analysts believe that Hansou's predatory plans are

alive with talk of possible retreuchment in the bank's securities operations. There were also stories in the market

that Bond Corporation may have experienced difficulties in

placing its near 9 per cent stake in the merchant bank.

after 224p, after revealing interim profits of £38.63m, well

up on market forecasts.

Hambros Bank held at 222p

Amstrad remained on offer

after the wbolesals profits

downgradings initiated on Monday, and the shares lost 3

more to 152p; turnover was 4.6m. UEI, after an analysts

4.6m. UKI, after an analysts visit, fell 4 to 404p.

Thorn EMI made early progress and touched 647p before slipping back to close unchanged at 644p; Morgan Grenfell rate the shares a "buy" and forecast "excellent" interims due on December 8.

Morgans say pre-tax profits at Thorn should come out around

£98.5m, up more than 48 per cent on last time.

Dealers continued to await

with caution the deadline on

tions for shares in British

Steel. With no grey market in the issue, forecasts cen-

tred around the IG Index

quotation, which invites cus-tomers to estimate the clos-

ing price of the 60p partly-paid shares on Monday, the

first trading day. This edged

higher yesterday to 66p-69p, from 64¹2p-67¹2p overnight.

408p, despite comment in the

market that a European con-

offer to buy its stake. There

has been very heavy turnover of Berisford over the last few

weeks, with nearly 20 per cent of the company's shares said to have changed hands. Chamberlain & Hill, foundry

operators and electrical engineers, were up 25 to 220p as the market digested the interim

profits. Wilshaw added 21/4 to 25%p on rumours of a new

paint process, while Booth Industries put on 11 to 131p in

anticipation of results. Ladbroke was marked

sharply lower at one stage on talk that it might be about to hid for Hilton Corporation of

the US, the group which manages Ladbroke's chain of Hil-

ton hotels. A company spokes-man officially denied the speculation and the shares ral-lied to close just 3 down at

436p, after 434p. Turnover was 2.5m which dealers said

included some institutional

selling and there was persis-tent late talk that Ladbroke

was preparing to announce a

major deal, possibly involving

a Swiss acquisition.

Mount Charlotte also caught

the eye in a quiet Leisure and Hotel sector, rising 7 to 158p on renewed talk that a hid is not

far off. Ladbroke was men-

sortium

S&W Berisford dropped 2 to

m might have ched AB Foods with an

Friday morning for applica-

focussed on the other side of the Atlantic, a list of possible UK targets, ranging from Boots to Consolidated Gold Fields cir-

culated again yesterday.

Also fuelling interest in Gold Fields was a major presenta-tion by the group in London, hosted by Phillips & Drew and attended by more than 60 representatives from UK institu-

However, the dollar'e weak-ness despite higher US prime rates beightened worries over upward pressures on the Fed eral discount rate, which could come to a head on Friday when the latest batch of US eco-nomic data is due.

tioned as a possible predator as was Sir Ron Brieriey's IEP Securities which recently declared a stake. Dealers est vesterday, but noted that the shares were standing 15

Johnson Fry bounded higher, greeting the agreed shares and cash offer from LIT Holdings with a vault of 65 to 167p. LIT ended 6 lower at 145p. GT Management also fig-ured prominently, responding to revived bid speculation which found one marketmaker extremely short of stock. Reflecting efforts to close the short position, the shares raced to 185p before closing 14 higher

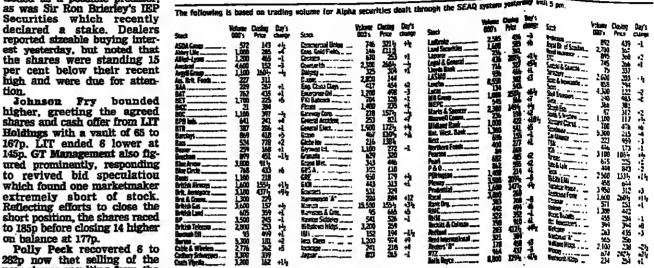
on balance at 177p.
Polly Peck recovered 8 to 282p now that selling of the new shares resulting from the recent rights issue, which were quoted fully-paid from Monday, has ceased.

Activity in the Traded options market continued to run at a high level, reaching 44.316 contracts, consisting of 26,941 calls and 17,375 puts. FT-SE 100 index trading again ran took a high share, at 10,885 matched coutracts, lying in 3,030 calls and 7,855 puts, but it was Hansou that stole the thunder. The market made a charge for call options at exercise prices above the underly-ing share price, as it wondered how the company would apply its increased borrowing facility. It dealt in 6,229 call contracts and and 577 puts, including over 2,000 contracts in the December 160 calls alone.

Life assurances posted good gains - the sector offers "good value," after the 10 per cent underperformance in past few

FINANCIAL TIMES STOCK INDICE 97.31 162 7 734 7 43.5 [229] [15/2/83] 126/10/71] Gold Mines . SE ACTIVITY 4.76 11.94 10.14 25,259 1176.41 27,421 496.8 Ord. Oi. Yield Earning Yid %(full) P/E Ratio(Net)(☆) SEAO Bergains(Spri Equity Turnovor(Em) 4.90 12.30 9.85 24.088 850.34 24,443 360.0 21,929 128.8 1718.8 2791.5 ●2 p.m. ●3 p.m. 14550 14552 ●Opening ●10 a.m. ●11 a.m. ●12 p.m. 1460.6 1461.2 1459.7 1454.9 2360 B DAY'S LOW 1454.1 DAY'S HIGH 1462.5 Basis 100 Govt. Secs 15/10/26, Fixed Int. 1928. (Gold Mines 12/9/35, SE Activity 1974, trivil 9.77

TRADING VOLUME IN MAJOR STOCKS



mouths according to BZW. Legal & General, one of BZW's favourites in the sector, added 2 at 283p, while Abbey Life, where fundamentals have re-

asserted themselves," according to dealers, added 4 at 285p. Composite insurers gave a positive response to recent market views that the heavy selling in the sector has been overdone. General Accident were particularly in demand and moved up 7 to 821p, while

Royal edged up to 368p.
Allied Lyons reported interim results at the top end of the range of forecasts, but the response was disappointing and the shares drifted down to 465p. dealers said investors were distracted by talk that Mr Alan Bond had cast his attentions elsewhere. Highland Distilleries rose 5 to 134p, lifted on brand name factors following

Mouday's sale of Lonrho's European drinks business to Brent Walker.

Redland was one of the best performers in a building mar-ketthat staged a useful rally after the recent heavy selling; a number of "buy" recommendations, notably from BZW, after the recent presentation to the Society of Investment Analysts, prompted good buying which lifted the shares 5 to 413p.

BPB, scheduled to report interim figures on Thursday, picked up 4 to 241p; Hoare Govett is forecasting pre-tax profits of £115m, Morgan Grenfell £112.5m and SBCI Savory Milin

£114m. The electronics sector included a handful of features. Plessey shares tumbled 5 to 209%p after a report warning of possible opposition to the

GEC/Siemens joint bid for Plessey on competition grounds; GEC/Siemens have offered 225p a share in cash for Plessey. GRC were s shade harder at 172%p on turnover of 1.9m; turnover in Plessey was 3.5m. Persistent demand from one securities house lifted Cable & Wireless 5 to 362p with 3.5m shares traded. Ferranti shares wavered and ended the day slightly easier at 97 p after revived speculation that the interim results on Thursday could be accompanied by a rights issue; turnover was a lively 47m shares, but well below the 20m-plus figures that followed the hid for Plessey a few weeks ago.

*Other market statistics, including FT-Actuaries Share Index and London

Another Lonrho chapter

Lonrho shares rode the another chapter was written in one of the market's top speculative attraction. The shares jostled between 385p and 368p in re-vitalised trading as the market awaited clarification of reports that Mr Alan Bond had submitted a tender offer for Texaco Canada, which could suggest he is less likely to bid for Lourho.

Mr Bond was later confirmed to be involved in a tender for the Canadian oil major which is valued at around C\$3.7bm. Commenting on the news, a London analyst said: "Some may feel this is a clever ploy. There is little doubt that some Lourbo sharebolders were frightened this morning and sold their investments. My view, however, is that Mr Bond is creating a smokescreen to divert attention away from his real target, which continues to be Lonrho."

Other researchers tended to agree. One added: "Mr Bond has every intention of increasing his 21.5 per cent (Lonrho) stake. A market raid is still possible and I would not wish to be short of the stock." The shares then recovered to end the session 3 up on the day at 382p, after turnover of 8.6m.

ICI presents

m legded

After its heavy fall on Mon-day, ICI returned to favour on the back of a major presentation to sixty institutional investors hosted by Warburg Securities. The shares rose 8 to Mr Chris Marsay commented: "We continue to rate the shares a buy and are forecastysar." Mr Denys Henderson, ICI chairman, led the presentation which argued that there has been a dramatic turn-around in the company since the early 1980'e and focussed ou investors' concerns about the bulk chemical business and the effect of currency exposure on company profits. On the bulk side, ICI has made heavy

to pay off in the early 1990's, with worries about over-capacity diminished by the buoyancy of world demand. The exchange rate issue was acknowledged to be more complicated and, according to Mr Marsay, "the sterling/Dmark rate is the key. In the short term, the strength of sterling will have a detrimental effect, but in the longer term sterling should be steady or may even

weaken which would be good

investment which is expected

2 to 55p after the preliminary figures and also reflected mar-ket hints of good news of the exploration front. International stocks were mixed. Hanson rose 3½ to 155½p in turnover of 16m shares. Following Monday's news was talk that the company plans to increase the divi-dend on its ordinary shares in order to try to persuade holders of its convertible stock to exercise their option to convert thereby reducing the com-

NEW Hights (bt), pricing Dista, pricing (c) Nighland Dista, Macadian-Gertivet, ELECTYSCALS (7) Newmark (Louis), EMBASSERNING (1) Booth Inde, POODS (7) Low (Win.), MOUSTRALS (10) BSS (50). Elect. Euroburned Wirms., Do. Units Hanson, Hitle Ergonom, Nu-Swift, Rettlearn, Shanica & McEwan, Swallowfield, NEURANCE (7) Saddre Ins. Invo., LESSURE (7) Fairline Boots, PAPERS (7) Cunded Chy., PROPERTY (9) Frogress Bats., & Portron, Itamesraco: "A", Randsworth Tat., SOUTH APRICARS (1) Abertoon, TRUSTS (7) Johnson

Fry. NEW LOWS (83).
HEW LOWS (83).
HEW LOWS (83).
HERITEH PUNDS (2) Fonding 6% pc 187-91.
Trees. 134 pc 1985. Trees. 141-pc 1984.
LOANS (2) Inv. In Ind. 74 pc 1A 1981-84.
Do. Spc 1A 1981-84. AMERICANS (9)
Allegherry & W., Data General, Home Grp.,
Houston (nds., CAMADIANE (8) Excelorate.
Scho Ear Mines, BARKS (1)

Lon. Scot. Str., BURLDIMOS (2) Lewrence (W.) \$2g to Pt., McCarryy & Stone. CHESIGCALS (2) Coatee Bros., Hencules Inc., \$10000000, Strone. Field (Mrs) Inc., Glamar Grp., Nest, Specialeyes, The Rack, ELECTROCALS (4) Alphamerto, Neotronics Tach., VG Instr., Watn. Select, FOODS (4) Brewmarker, Gateway Corp., Global Grp., Hughee Food, MDUSTRGALS (1) Bluebird Toys. Centrowny Ind., China Light, Eegle Trust, Harton Foc Pt., Kless-E-2e Hodge. Whilama Hidgs, Bygoo Dr., Klesse E-2e Hodge. Whilama Hidgs, Bygoo Dr., Bygon Grp., Humberprick, Kelson, Osborne & Little,

PROPERTY (2) Regallen, Zurich Grp., YEXTILES (2) Drummond Grp., Teat'rd Jary., TRUSTS (2) S. Rinfad Shaped Cap Pt., Siem Rund, OVERSEAS TRADERS (1) Und Plants Africa, NENES (4) Brunswick, Jason

NEW HIGHS AND LOWS FOR 1988

The Naked City: 4-week visit. FREE

lot has happened since the A Crash last October. But not everything has changed.

Even if you're a confirmed bear nowadays, you have to admit there are opportunities to make money-if you know where to look

You're not going to risk a big slice of your capital just yet. But there's still the need to be well-informed. Without the right information, how will you be able to time your comback right?

With Investors Chronicle every Friday, you can. We help you keep your options open. Stay put. Playsafe. Or trya little flutter.

At a time like this, you've got to be ahead of the game like never before. Keep in touch. Stay in the picture. Be prepared!

There may never be another year like '87. But that doesn't mean you can't still make money in '88! It just takes a better-informed approach.

Investors Chronicle is still the most comprehensive guide to every aspect of the stockmarket there is. Dedicated every week to keeping you posted on all the news you need.

If there's money to be made -even in today's sticky conditions - Investors Chronicle

will show you how and where. No distortion. No hysteria. You get the facts: and no wild rumours or "hype"! For just £1.20 a week,

Investors Chronicle helps pinpoint the best possible opportunities.

It's highly readable, frequently entertaining - and always well-informed. Whether you're an investor on the sidelines, or a big-time operator making headlines, Investors Chronicle is one investment that's guaranteed worthwhile.

But don't take our word for it. Prove it yourself

Fill in and post the coupon below We'll enrol you for a 4-issue, free-trial subscription to Investors Chronicle: the next four weekly issues to give you a flavour of our thinking Your full subscription starts with the fifth issue. If you don't like what you see, just cancel after the 4th free issue and you owe nothing.

It's a free trial with no risk. You can't lose! But do act now All you have to do is return the coupon below.

APPOINTMENTS

Chief financial officer at British Airways

■ Mr Gordon Dunlop, the chief financial officer of BRITISH AIRWAYS, is retiring from his executive post on December 31 and from the board on March 31. He will be replaced by Mr Derek Stevens, finance director of the TSB Group, who will join British Airways on February 1 in an executive position and as a member of the board. Mr Stevens joined the TSB Group in 1981 as general manager finance and has been finance director since 1985. Previously he was with UDT Industries from 1971-1981, being finance director from 1976-1981. In 1968-1970 he was a consultant with PA following three years with Shell International.

a Mr David Anderson has been appointed managing director of VELOS, part of the Nobo Group. He was sales director of Esselte Dymo.

 Mr David F. Bradstock. chairman, has retired from the board of BRADSTOCK GROUP, and been appointed president. Mr O. David Plunicett succeeds him as chairman.

■ FENNOSCANDIA BANK. London, jointly owned by



Mr Derek Stevens, chief officer designate, BRITISH AIRWAYS.

Swedbank (Sparbankernas Bank), Sweden, has appointed Mr John Greig as head of corporate finance, a new post.

Mr Jon Watts has been appointed marketing and business development director of SINTROM. Before joining Sintrom a year ago he was managing director of Datapoint Corporation (NZ). Mr David Heaton, finance director, has resigned, and Mr Ian McQuattie becomes acting

finance director.

Mr Julian Sturdy-Morton has been appointed a director of CL-ALEXAND\ ERS LAING & CRUICKSHANK EURO-EQUITIES. He was with Morgan Grenfell.

■ Mr K.C. Devies has been elected to the board of THE LONDON METAL EXCHANGE. He is a senior dealer with Entores (Metal

■ Mr Rupert Foxwell has been appointed an executive director of UBS-PHILLIPS & DREW from January 1. He joins the corporate finance division from Prudential-Bachs where he was managing director of the European investment banking division.

Mr Frank Thompson has been appointed managing director of the industrial doors division of HARRISON INDUSTRIES. He has been s main board director since 1986. Mr D.C. Bailey has left the main board to restructure the group's door manufacturing plant in South Wales.

■ CARADON has appointed Mr Roger Regan as managing director of Caradon Everest. He joins from A.G. Stanley where he was group managing

■ SEMA GROUP, formed by the merger of CAP Group, UK, and Sema Metra, France, has appointed Mr Graeme Ferrero as director of defence marketing, a new post. He was managing director of CAP Scientific, where he is

Hambros finance director designate ■ HAMBROS has appointed

Mr Charles Tilley and Mr John Heywood as directors. Mr Tilley, at present a partner at Peat Marwick McLintock, becomes finance director from January 1. He will also become a director of Hambros Bank, Hambro Countrywide and other group companies. Mr Heywood is a vice-chairman of Hambros Bank and executive director in charge of the treasury and capital markets division in London. He is also a director of Hambros Australia.

succeeded by Mr Godfrey Thomas who was a director of CAP Industry. Mr Frank Jones, who was commercial director, has been appointed managing director of Data Networks.

■ BRITISH ALCAN has appointed Mr Roger Hadaway as managing director of British Alcan Consumer Products, a group division.

■ Sir Jeremy Morse, chairman of Lloyds Bank, has been appointed president of the BANKING FEDERATION OF THE EUROPEAN COMMUNITY. The Federation represents the views of the European banking community, and monitors developments affecting its interests.



Please return to:-

FT Magazines, Subscriptions Department, 1st Floor, Central House, 27 Park Street, FREEPOST, Croydon CR9 9ER

TES, Please enrol me in your trial subscription offer to Investors Chronicle. I understand that I will receive my first four issues absolutely free. Thereafter, I wili receive my first year's subscription at the normal rate. If I cancel within 4 weeks any money I pay now will be refunded

The ins and outs of the ups and downs Please enrol me as below:

■ £74 Europe (letter rate) Eire (or local currency equivalent)

£90 Rest of World (airmail) I enclose a cheque payable to F.T. Business Information Ltd.

Please bill me I wish to pay by credit card.
Please debit my account. ☐ Visa ☐ Access ☐ Arnex ☐ Diners

£62 UK (inc. N. Ireland)

Expiry date_ Signature_ Date

BLOCK CAPITALS PLEASE Mr/Mrs/Miss__ Job Title ____ Company/Private Address -- Postcote -Nature of Business

FT UNIT TRUST INFORMATION SERVICE

AUTHORISED

ent Ltd (1000)H

ches for Morat Servs Ltd (1200)H

5 51.77 57.77 64.52 417 1.29 5 18.22 18.22 19.40 -0.117 29 5 18.87 89.87 93.71 62.01 00 5 147.1 147.1 154.4 -0.97 03 5 122.1 222.1 234.5 40.5 0.29 5 187.0 167.0 187.8 -0.3 1.09

rry Wileler Unit Tst Magnet 1.in (1000)F esite St, London El 7HP 01-377 1010 incomo 5 197.36 99.73 106.1 11.40 rry 5 136.9 1402 1492 17.00 by locome 5 152.13 54.34 57.81 7.00 Arkwright Management (1.490)F 1 King St. Manchester M60 3AM - 061-8320242 Crowth Box 29 ----- 5 92 10 92 104 97 98 4 1252 51 income See 29 ----- 5 46 92 97 74 50 79 10 10 48 84

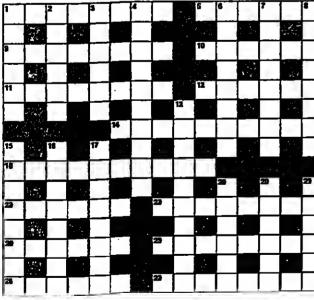
Some of Ireland Fund Signs 1.54 (1.200): 6 dures 3, Louden ECOR 1.04 01.256 (2.20 mile 4.20 mile 5.20 mile Barclays Unicom Ltd (1000H) Unicom Hig. 252 Rumford Rd. EZ Chase Manhattan Fund Myrs Ltd (1680) 70 Box 16, Coleman St. London EC2 01-723 7708 54 C Sect Sits. ... 512-747 5 747 7 1-39 1-33 Myd Matiement. ... 5124 18 24.18 5 60-134 toers Ltd (1200)H

th Bolphin Unit Tst Mgrs Ltd (19905)F per St. Loaden ECIA 90E 01,245,4400 *Capital - 51; 173,5 182,7 194,31 - 1 197 b Orbited - 51; 425,4 6,73 182,7 - 6,78 bt Gchkt - 51; 201,3 210,2 223,6 - 4,18

Burrage Unit Tst Manual Ltd (0905)F 117 Fercharch St. London EC3M SAL 01-480 7216 Set Ded Cit & F1 ... 14 152 07 52 87 52 801-00211 38

CROSSWORD

No. 6,799 Set by VIXEN



- ACROSS

 1 Put off the underworld used a convert (8)

 5 Turning a vehicle into alesping accommodation, given

- locks (6)

 pown

 Resolve to write a letter about certain policemen (6)

 End up in the wrong so like the ape! (6)

 A French user may be somewhat doubtful (6)

 Think to enslave? (10)

- support (6)
 9 Clothing one swimmer placed beside the river (6)
 10 Criticise a scholar's summer headgear (6)
 11 A lot of people after help back verbal onelanght (8)
 12 Wrap a quarter taken surreptitiously (6)
 14 Coppers call round happening to be stopping (10)
 18 Lasting present it's well made (10)
 22 Many more aged? That's not so hot! (6)

 19 Indicate approval of quiet lift (6)
 20 Opens up and rubs an organisation the wrong way a ship (6)
 21 Interval for a service (Church of England) on a ship (6)
- 22 Many more aged? That's not so hot! (6)
 23 Transport a gata (8)
 24 Manual worker in a better state of health (6)
 25 Dicky. Tom and Armie put forward names (8)
 26 Pet taking company's place (6)
 27 Applies force, bearing on locks (8)
 28 Powm
 1 Resolve to write a letter about certain policemen (6)
 29 End up in the wrong so like the ape! (6)
 3 A French user may be somewhat doubtful (9)
 4 Think to enslave? (10)

works and the second of the se

104 9 441.8

Lagar & Par Cim. | 300, 20 St. 20a 73, 50b - 1, 910, 00 Lagar & Gameral (U.T. Higgs) List (12,000) Admir 5 Startonk Road Ratins, Breatoned Energy Empirica (0277 22730) Boarles (0277 23,0030 Energy 127 23

GUIDE TO UNIT TRUST PRICING

These represent the marketing, administrative and other costs which have to be paid by new purchasers. Their charges are included in the price when the castomer buys enits.

If FER PRISE.

The price at which units may be bought.

BUD PRICE.

The price at which units may be bought.

BUD PRICE.

The price at which units may be sold.

CAMCELLATION PRICE.

The maximum spread between the offer and tid prices is desermined by a formula tail down by the government, is practice, unit trust managers units a couch narrower spread. As a result, the bid price is often as the bid price which is called the cancellation price in the table, the however the hid price major here which the sold the cancellation price in the table, the new releases of sellers of solds over buyers. TIME

The time shown alongside the fund numager's name is the time at which the own turner's daily dualing prices are normally set univers according to the two transitions are as follows: 9 - 0001 to 1200 hours; 4 - 1201 to 1700 hours; 4 - 1701 to indenight.

The tetter N denotes that the managers will dust are a before, The prices shown are the latest social before publication and may not be the current dealing levels because of the managers will dust as a before a basis. This means that however publication and may not be the current dealing levels because of the purchase on a switch to a formard pricing loads. Percentage of the purchase or as being curried out. The prices appearing in the assessment show the prices at which deals were carried out, restorday.

Other explanatory notes are contained in the last column of the FT Unit Trest Information pages.

Datt Case, and Offer or Viete Case Price Price Arts

Seq In communication of the Co

10.

. • • ٠,.

149

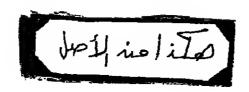
7

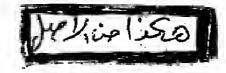
 $\frac{1}{2} \frac{1}{2}$

7.27

PR Devents 60 ... 3 14-3, 75 63 75 64, 62, 200 67 Production 160 ... 3 14-3, 75 63, 75 64, 62, 200 67 Production 160 ... 3 14-3, 75 63, 75 64, 62, 200 67 Production 160 ... 3 14-3, 75 63, 75 64, 75

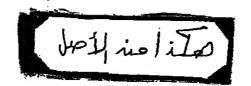
STATES | Transmisters | Lauren | ### STATES | Lauren | Lauren

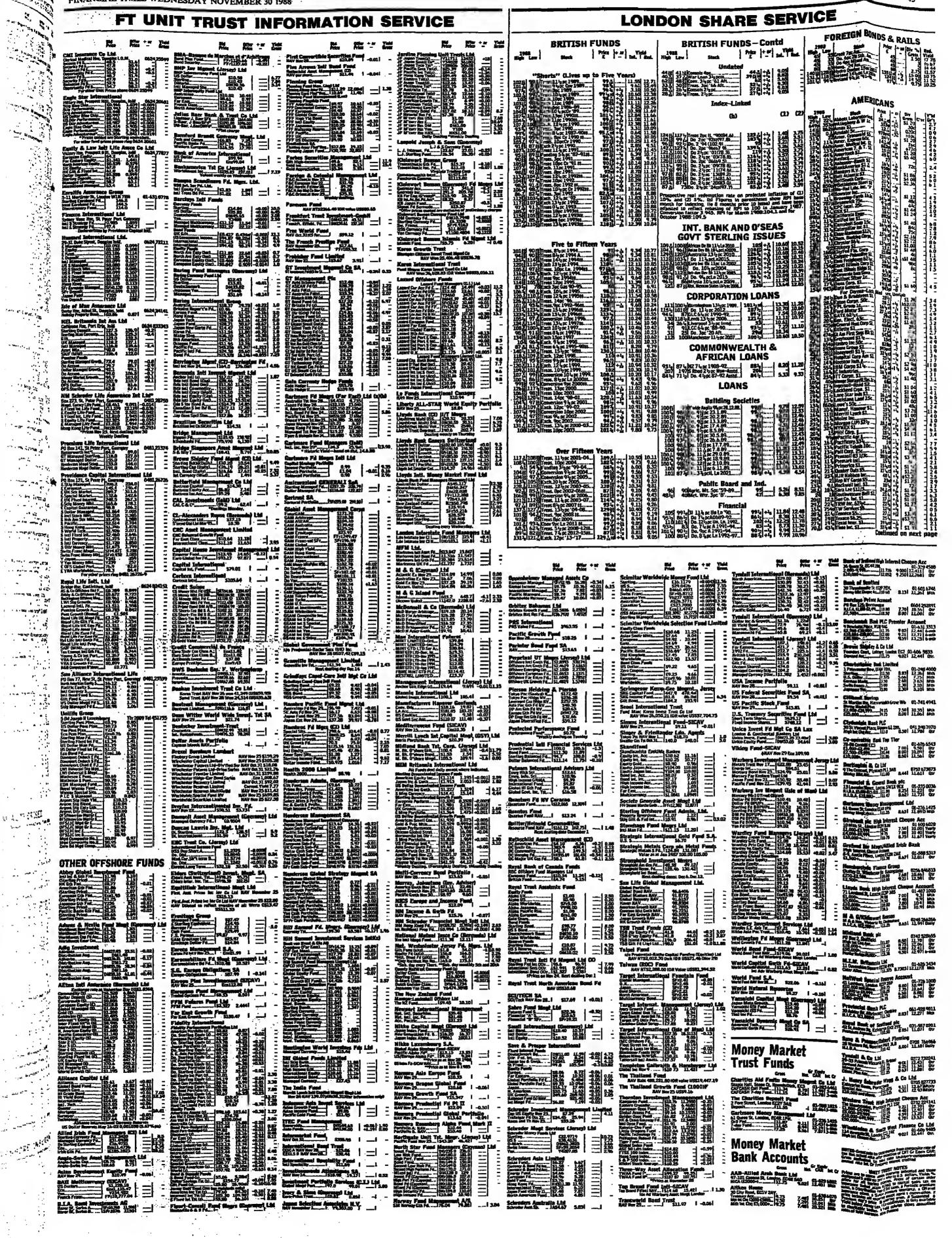




FT UNIT TRUST INFORMATION SERVICE Current Unit Trust Prices are available on FT Cityline. To obtain your free Unit Trust Code Booklet ring the FT Cityline help desk on 01-825-2128 | Street | S المُحْفِظِة المُحْفِظِيدُونِ إِلَّا الْمُحْفِظِةً إِلَّا الْمُحْفِظِةً إِلَّا الْمُحْفِظِةً إِلَّا الْمُحْفِظِةً 3.5 Sooth Acc. 111.3 177.2 - James Acc. 121.3 177.2 - Partic Acc. 122.2 122.7 - Partic Partic Acc. 122.2 122.7 - Partic Acc. 122.7 - क्रिक्र 787 1 154.5 454.4 407.4 236.9 132.4 54.8 ...137.1 37.11 610.4 470.3 46.7 104.0 124.4 97.0 111.5 131.5 140.3 125.5 114.0 80 a 7114 a 1145 1150 86.7 107.2 95.4 131.0 100.8 52.7 %4 078 077 +1495 +077 +1495 hell Frism Inchines hell Stram formers hell Sel Open hell Sel Open American hell Sel Open Promoted from DY Sel Open HIS semil Co Recovery Workforder Faccoury Workforder Faccoury Workforder Faccoury Workforder Faccoury Semiles Semiles History Beat of Self-test Control Stramshom Recovery Beat of Self-test Control Service year History | March | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100. Green States, 1923 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 1925 | 19 Yarget Life Assurance Co Ltd. Target House, Gazzinian Road, Ariestury, Regard Treat Fd Magt Ltd PO Sex 428, 3t Helar, Jersey Dollar her Fd. 60.5 98 500 Sex Fd. 50.5 1 500 Sex Fd. 50.5 1 500 Sex Fd. 50.5 2 500 Sex Fd. 243.5 20 85.30 +0.20 85.20 -0.20 85.20 -0.2 206.1 +1.5 92.90 +0.6 135.4 +0.6 Ruyal Liver Assurance Royal Liver Building Livermon UK Equity 49 8 Cottal Equity 79 6 High York +0.7 +0.40 +0.20 +3.5 +1.0 +1.9 +0.3 O'Hallaran & CoffCountry 7 Covel C., Borth St, Petarborton Hampes Fd., 1307.A 1207.A 1 152.7 441.4 8-2.7 158.1 191.2 197.2 52.2 30.5 44.7 43.5 55.0 57.1 50.9 Tear Port, Curvey, Service Co. eer Mutual Insurance Co Ltd sty Rt, N. Waterjoo, Chernot Save & Practice Street 27 28 Western Rd. Russfarth 123 Bill for Fil. 402.4 44 Bernah Fd. 302.4 44 Bernah Fd. 302.4 44 Bernah Fd. 302.4 54 Gift Fd. 302.0 12 Global Equity Fd. 127.0 14 Property Fd. 770 8 18 Equity Feet 77 12 Global Equity Fd. 127.1 56 Global Equity Fd. 127.1 57 Global Equity Fd. 117.0 12 Man Pour Fd. 111.0 12 Man Pour Fd. 111.0 12 Man Pour Fd. 47.5 10 Mill Ser Four & 47.5 10 Mill Ser Four & 47.8 +0.4 +0.1 +0.5 +0.1 +0.7 +0.7 +0.2 +0.3 6708-754 -0.1 119.4 95.8 178.9 101.4 111.2 108.1 다음 (주의 중부: 300.6 54.1 192.6 197.5 47.0 47.0 46.2 40.5 62.7 مارمارين مارمان مارمان مارمان مارمان درمان مارمارين مارمان مارمان مارمان مارمان مارمان مارمان Decretionary Fri 1882. Decret 01-4394191 Funion Ranged letted Do Orthory Depart lotted Do Orthory UK Life Aspura Worthing Mr., Hursto Managed Property Costy Descriptions 80.5 20.5 20.5 20.5 THE CO LA 100.1 157.9 144.0 117.0 115.3 144.4 157.5 01-405-9222 AMAGEMENT SENTED OFFSHORE AND OFFSHORE OFFSHORE OFFSHORE OFFSHORE OFFSHORE OFFSHORE OFFSHORE Scrittish Emitable Life Assoc. Sec. Property 200. 200. 302.0 | Property 200. 200. 302.0 | Property 200 Property Equity & Life Age. Co Blatter Are, Southerd SSQ ASM Int, Man Postton Fd. 128.4 Int. Man. Crop 26 Fd. 128.4 Special Man. Int. Fd. 129.3 Special Man. Int. Fd. 129.3 Frenche Fron, Br. Fd. Frenche Howey Ba. Fd. Frenche Howey Frenche Howe

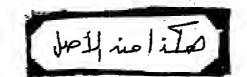
. Al Merical Marie

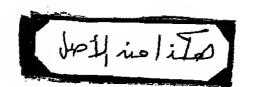




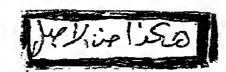
0 mm

Section of the sectio





SHOW	FINANCIAL TIMES WEDNESDAY NOVEMBER 30 1988		Latesi Share Prices are available on FT Cityline. To obtain your free
CH) Cert	LEISURE-Centd PROPERTY	LONDON SHARE SERVICE	Share Gode Booker ring u.b. 1 - 1 - 225-2128
	1988 1884 1985 1986	TEXTILES—Contd 1988 1988	1983 1985
	*211 135 Do. 7xcDiCmReff vi 22d ***	TRICTS STMANCE LAMB 1161 9555trata investmentsvi 110	1-88 1-87 1-23 1-86 1-87 1-23 1-86 1-87 1-23 1-86 1-87 1-23 1-86 1-87
	142 76 74 75 75 74 75 75 75 75	13	100 C C C C C C C C C
	425 375 Abbry Pasels 375 24 13.0 0.9 11.2 10 12 13 13 15 15 15 15 3.3 22 18.3 19.8 129 Abritos Srescalina. 167 150 3.7 3.6 10.0 14 49 Hri Card. 63 +1 85 Mb 3.9 - 170 11 11 11 11 11 11 11 11 11 11 11 11 11	200 140 Do Cap 10p. V 143	Teas Teas 30 30
	Garages and Distributors 19 Alexanders 10p. v v 1 0.73 1.8 2.05.4 19 Alexanders 10p. v v 1 0.73 1.8 2.05.4 19 Alexanders 10p. v v v 1.0 0.73 1.8 2.05.4 19 Alexanders 10p. v v v 1.0 0.73 1.8 2.05.4 19 Alexanders 10p. v v v v v v v v v v	244 1938 p. 8 thinks in virt. 246 4-7 10 3-9 3-9 258	Eastern Rand Gold String String
	430 2758PP Hilps 10 v 440 45 7 6.6 2.8 2.2 22.0 588 263Pel Hilps v 385 615.25 2.9 2.3 17.0 130 2758Brbs Index (A, & C.L., v) 395 12.0 2.5 4.1 12.8 152 66 Permat Prop. [iii., v] 115 14.9 5.1 2.2 9.4 65 385Btbs (A, & C.L., v) 395 12.0 2.5 4.1 12.8 152 66 Permat Prop. [iii., v] 155 14.9 5.1 2.7 2.0 210Bchtol Eve. Posl v) 268 43 9.0. 4 5 9.0 4 5 9.0 4 5 9.0 17.1 12.8 Hiller Group 10.0 M; 45 4.1. 12.2 4 3.1 4.9 13.3 36 5.5 25.0 100 William, o 315 -2 401.17 32.1 2.5 16.2 14.1 13.3 35 5.5 25.0 100 William, o 315 -2 401.17 32.1 2.5 16.2 14.1 13.3 35 5.5 25.0 100 William, o 315 -2 401.17 32.1 2.5 16.2 14.1 13.3 35 5.5 25.0 10.0 William, o 315 -2 401.17 32.1 2.5 16.2 14.1 13.3 35 1.0 15.9 15.9 15.1 10.1 10.1 10.1 10.1 10.1 10.1 10.1	225 215 Fishing Chrechost 224 227 103 3.4 129 134 134 134 127 103 134 13	131 659 Doorminatin RO.25. 1738 445 Doorminatin RO.25. 1738 45 Doormina
	250 230 250 250 27 252 26 26 26 26 26 26 2	100 100	diluterats or ranking only for excitcted dividend. 25 46/Angia Am lov. 50c
TO AND	227 18 Service City of Let. 8 159 Marke City of Let. 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 28 15 21 42 8 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 41 29 159 Marke City of Let. 8 179 42 159 Marke City of Let. 8 179 Marke City o	270 Corracons Lev. 560. 210 121 1	Finance Fin
	101 135 (101 155 100	1528 1529 1528 1529	149Artec Explo. 22
	125 125	75 pt Capital Puri 100	24 144 Gwalla Mins 25c. 170 05c 35 5
	1387 ellowhamnew 50.7 141-3 25 5 9 2 0 12 9 62 km dicet 59		129 Southern Practitic 13 +1



CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGES

Dollar falls on GNP revision

THE DOLLAR finished below its best level in currency mar-kets yesterday, after a disap-pointing reaction to revised US GNP figures. Growth in the third quarter was measured at third quarter was measured at 2.6 p.c., which was not as high as some expectations. While the increase was up from a provisional 2.2 p.c., it was down from a second quarter rise of 20 p.c.

3.0 p.c.
The apparent slowdown in the pace of economic growth reduced the prospect of higher US interest rates, and this prompted many investors to adjust positions and sell the

Early husiness took note of Early husiness took note of trading in Tokyo, where dollar support hy the Bank of Japan estimated at \$100m - failed to hold the US unit ahove the Y122.0 level. Despite this, there was little early dollar selling in London, as investors were deterred from going short on the dollar just in case US interest rates were raised again. est rates were raised again.

However, the cautious tone was reversed after the GNP figures were released, and the dollar slid below its opening levels, in the absence of any intervention by the US Federal

The US unit broke through support at DM1.7280 and Y121.50 to finish at DM1.7270, down from DM1.7330, and

E IN NEW YORK

8415-1.8425 0.50-0.49pm 1.43-1.41pm 4.60-4.70pm

STERLING INDEX

CURRENCY RATES

CURRENCY MOVEMENTS

OTHER CURRENCIES

Her.29

77.9 78.0 78.0 77.9 77.9 77.9 77.9 78.0

M

1.8380-1 8390 0.61-0.55pm 1.59-1.55pm 5.50-5.40pm

Euroceia Currescy Und

Nov.29

figures, the dollar's exchange rate index fell from 92.6 to 92.3. The Bank of England bought dollars earlier in the day, principally in reaction to sterling's firmer trend, but this failed to provide more than a short term

SFr1.450 from SFr1.4505 and FFr5.8975 compared with FFr5.9200. On Bank of England

provide more than a short term benefit for the dollar,
Sterling retained its firmer undertone, despite intervention by the Bank, which sold sterling for dollars at \$1.8450. The pound was restrained only hriefly, and moved up to close at \$1.8525, compared with \$1.8370 on Monday. Against the D-Mark, it rose to DM3.2000 from DM3.1825, and Y225.00 from Y224.50. Elsewhere, it finfrom DM3.1825, and Y225.00 from Y224.50. Elsewhere, it finished at SFr2.6775 from SFr2.6650 and FFr10.9250 against FFr10.8750. On Bank of England figures, the pound's exchange rate index rose to 78.0 from 77.9 at the opening

Elsewhere, it closed at and 77.7 on Monday.

SFr1.450 from SFr1.4505 and Dealers noted comments by Mr Nigel Lawson, UK Chancel-lor of the Exchequer, when he said that UK inflation would peak some time towards the middle of next year, and that interest rates are the appropriate instrument for controlling

> The French franc reacted to worse than expected French trade data for October by los-ing ground initially against the D-Mark and most other EMS currencies. A trade delicit of FFr4bn contrasted sharply with expectations centred around a FFr3bn shortfall, and a FFr600m surplus in Septem-ber. The D-Mark rose initially to FFr3.4175 from FFr3.4155 at the opening, although the threat of intervention by the Bank of France deterred any inclination to run short on francs. The D-Mark finished at FFr3.4150.

		-			
	central rates	Currency attrounts against Ecu Mov 29	% change from central rate	adjusted for strongerite	Diserrero
Belgian Franc Danish Krone German O-Mark French Franc Dutch Guilder Irish Prot Rallan Ura	92,4582 7,85212 2,05853 6,90403 2,31943 0,768411 1483,58	43.5105 8.00438 2.07665 7.09404 2.34184 0.776589 1.537.51	+2.48 +1.94 +0.88 +2.75 +0.97 +1.06 +3.64	+0.78 +0.24 +0.82 +1.05 +0.75 +0.54 +2.61	±155-4 ±15-34 ±1.0951 ±1.3674 ±1.5012 ±1.6634 ±4.3752

djustment ca	liculated by Financia	Times,				
POU	ND SPOT-	FORWAR	D AGAIR	IST	THE POU	ND
Nov.29	Day's spread	Clese	One month	94.	Three	31
S	18355 - 18530 21955 - 22105 3.994 - 3 614 66.75 - 67.55 12.29 - 12.344 11905 - 11975 5184 - 3.204 285.20 - 267.05 201.15 - 209.50 235.44 - 2370 11.944 - 12.02	1.8520 - 1.8530 2.2095 - 2.2165 3.604 - 3.614 67.00 - 67.10 12.334 - 12.344 1.1435 - 1.1945 3.144 - 3.204 26.95 - 26.95 208.50 23664 - 23.671 12.01 - 12.02	0.54-0.51cpm 0.54-0.31cpm 2½-23cpm 40-23cpm 64-55cppm 0.60-0.50cpm 24-23cpm 43-31cpm 4-1irepm 14-4 orepm	340 231 7.90 609 5.41 5.53 8.20 -1.27 1.19	180-155pn 120-108pm 6% - 120-1 100-87 pm 143-14pm 143-14pm 143-14pm 143-15pm 145-80ds 79-60pm 145-4ppm	307124899 4599 1010 1010 1010
rance	10.875 10.93	10.92 10 93	43-43 com	501	124-120	4 49

Nov.29	Day's spend	Case	Our month	p.J.	Three exertirs	\$1
JK!	1.8355 - 1.8530	1.8520 - 1.8530	0 54-0 51cpm	3 40 -2.52	1,60-1.55pm	34
reland!	1.5400 - 1.5475	1.5465 - 1.5475	0.30-0.35045	-2.52	0,50-0.60015	-1.4
anada	1 1915 - 1 1965	11940 · L1950	0.06-0 16cd/s	4.52	0.37-0.4 dis	-0 8
letherlands	19460 - 19595	1 9470 - 1.3480	0,75-0 72cpm	4.52	191-1 87 cm	38
Belgrum	36.15 - 36.40	36 15 - 36 25	9 00-7.00csm	245	22.00-18.00cm	27
emmark	6 66- 6 70	660-6.664	1.40-0 90occom	2.07	250-200cm	L
N. Germany	1.7255 - L.7380	17265 17275	0.72-0.59ptcm	4.89	183-179pm	4
ortegal	1434 - 144	1434 - 1456	30-50cdk	-3,33		41
G2-4	112.85 - 111.85	11285 - 11295	4-14005	-0.95	50-60cs	-1.4
Laly	12754 - 1287 5	12774 - 12784	1.50-2.50 hedrs	1.83	7 30-8 3041	.24
lormaly	6.476 - 6.514	6484 6484	1_10-1 600-ed/s	9.57 1575 1957	4 95-5 4503	- 3.7
ratect	5 B9 5 - 5.93 b	5.894 - 5.90	0 80-0,70cpm	1.53	1.60-1.40pm	10
₩deq	6.004 - 6.045	6.01 - 6 01 6	0.25-0 500-min	-475	1.30-1.5501	-0.0
acad	121.35 - 122.15	121 40 - 121 50	060-057/00	5 77	149-1.45cm	41
ustrul	12.144 - 12 225	12.15 12.15	5.15-4.75groom	4 88	12.50-11.00cm [31
erterrand	1.4430 - 1.4540	1,4445 - 1,4455	0.59-0 55cpm	4.77	1 60-1,55cm	4.

製	JRO-CL	IRREN	CY INTI	REST	RATES	
Nov.29	Short Lerm	7 Days ratice	(Month	Three Months	Six Months	G=e Year
Sterling US potlar Lan, Bollar O, Gulider O, Gulider Ser Franc Deutschmark Fr. Franc B Fr. (Find B Fr. (Find O Knone Aklas SSing	12 14 15 4 7 16 7 16	12 % 12 % 8 % 8 % 9 % 9 % 5 % 5 % 5 % 7 % 11 % 10 % 7 % 7 4 % 5 % 8 % 8 %	13-12-4 9-1-9-1 10-1-9-1 10-1-9-1 11-1-11-1 7-1-1-1 4-1-1-7 4-1-1 8-7-1-1 9-1-1	134-113 94-95 103-103 5-45-1 5-45-1 12-114-7 7-1-7-1 43-4 83-8	11-2-1-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-2-	130 H 250 8 15 16 16 16 16 16 16 16 16 16 16 16 16 16

Long term Eurodollars: two years 94-94; per cent, three years 44-94; per cent, four years 97-94; per cent, five

	EXCHANGE CROSS RATES									
Nov.29		S	MO	Yen	FFt.	5 Fr.	H FL	Les	C S	3 1
£	1 0.540	1.853 1) 200 1727	225.0 121.4	10.93 5 899	2672 1445	3608 1947	2347 1277	22:0 1193	36
DM	0.313 4 444	0.579 8 236	1 14.22	70 31 1600.	3.416 48.50	0 2 37 11.90	1.128 16.64	779 7 19520	0 691 9 822	ž
F řr. 5 Fr.	0.915	1 695	2 928 1 195	205 9 84 02	10 4 C81	Z-450	3301	27.66 883.9	2022 0 225	2
H F3. Lira	0.277 0.422	0.514 0.783	0.887 1.352	62.36 95.06	3 079 4.618	0.742 1.111	1 1.524	656.7 1200.	C 615 0.954	:8 25
CS 8 Fr.	0.452 1.491	0 838 2.764	1.448 4.773	101.8 335.6	4.946 15.30	1212	1633	10771 3530	3.2%	73

FINANCIAL FUTURES

Sterling contracts steady

STERLING DENOMINATED contracts showed little change in dull trading on Liffe yester-

day.

There were no new factors, with the market waiting for comments on the UK economy from the Chancellor of the

In the absence of other news the market tended to follow

Estimated volume total, Carls 949 Pids 1116 Previous day's open int. Carls 10387 Pids 13392

Estimated estime total, Calls () Puls () Previous day's open int. Calls (28 Pols 381.4

LONDON CLIFFED

Estamared Volume 36 1400 Provious day's open Inc. 1308 (1306)

Eclimated Volume 773 (491) Previous Cay's open Int., 936 9996

Estimated Volume 2769 (3647) Previous Cay's open lat. 17055 (16877)

Est. Vol. Luc. figs. rot separal 5744 (18091) Province Lay's sport Lt. 47876 (43281)

Est. State: Volume 6730 17558 Province Ser's species, 11421 (11781)

DEN-STEEL DIE Se per L

Treasury Bills and Bonds

1-mai 3-mai, 6-mai, 12-mais 1,5473 1256 18210 17976

18072 1839 18240 1821 1807

Close High Lon 90.59 90.59 90.55 90.79 90.80 90.74 90.75 90.77 90.72 90.67 90.66 90.66

86.84 87.08 87.75 88.24

94-72 94-70

movements of sterling on the foreign exchanges. March short sterling futures finished at 87.11, compared with 87.07 previously, closing in the middle of the day's narrow range. December long gilts finished unchanged at 94.22.

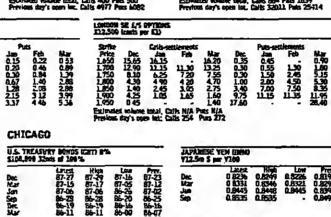
US Treasury bonds for

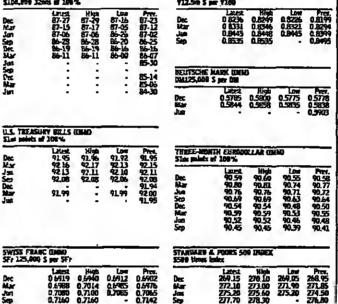
December delivery rose to 87-26 2 NAWANE H1055449 4550

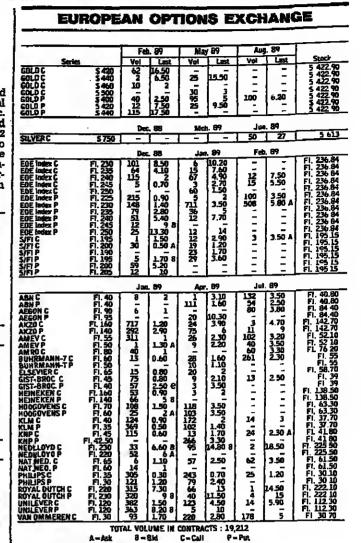
from 87-15. Reaction was muted to news that US gross national product grew a revised 2.6 p.c. in the third quarter, compared with a preliminary figure of 2.2 p.c. Forecasts ranged up to about 2.8 p.c., but the figure was in line with most expectations, and there was some sur-prise at the fall of the dollar on the news. Pots-6 Der 3 21 97 291 625 1061 1544

2430 HV 2514 \$172225655 42814

LIFFE EURODOLLAR OPTEO 240 40 71 8







BASE LENDING RATES								
	%		%	%				
ABM Bank	13	City Merchants Bank	13	Nat Westminster 12				
vian & Company	13	Chydesdale Bank	13	Northern Bank Ltd 13				
AB - Altied Arab Bk	12	Comra, Blc. N. East	13	Norwich Geo. Trust 13				
Ulied Irisk Bank	13	Co-operative Bank	13	PRIVAThanken Limited . 13				
tenty Anstracher		Contas & Co	13	Provincial Bank PLC 14				
MZ Basking Group			ľ	R. Raphael & Sons 12				
ssociates Cap Corp		Dowbar Bank PLC	ī	Roxburghe 6'rantes 1212				
uthority Beat	13	Descas Lawrie	<u> </u>	Royal 8k of Scotland 13				
& C Merchant Bank			ũ	Royal Trust Bank 13				
tank of Baroda			134	Scalth & Willown Secs 13				
Banco Bilbao Vizcaya		Financial & Gen. Bank	Ĭ .	Standard Charlesed 13				
Sank Happozinos			ũ	TSB 12				
ask Lengi (UK)	ĭ		12	UDT Mortgage Exp 412.75				
Bank Credit & Corner	12		ĬĬЪ	United Blt of Kewalt 13				
Bank of Cyprus			Ĭ	United Mizrahi Bank 13				
Basek of Ireland	B	Guiuness Mahoe	ĕ	Unity Frost Bank Plc 13				
lands of lodia	ũ	HFC Bank plc	ĬŠ	Western Trust				
lauk of Scotland	13	Harebres Bark	Ĭ	Westpac Bank Corp 13				
langue Beige Lid		Heritable & Gen Inv Buk	ĩš	Whitemay Laidlay 1312				
lardays Bank		• Hill Same! 5		Yorkshire Bank 13				
Sendament Bank PLC		C. Hoare & Co.	ij					
Sertiner Bank AG	B		12	· Members of British Merchan				
erit 8k of Mid East	12	Leopold Joseph & Sons	13	Banking & Secorities Honse				
Strowa Shipley	Ī	Lloyds Bank	ž	Association, 7 day deposits 5.22				
Sesiness Mige Tot	Ĭ34,	Megiraj Bank Lid	3	Savewise 8.47%. Too Tier-£10,000				
Rank Mederland	13 "	McDaggell Donates Rule	31	Instant across 11 06% & Mortgage bar				

WE **BELIEVE OUR UNMATCHED** INTEGRITY

PROVIDES UNPARALLELED PROTECTION.

MONEY MARKETS

Awaiting guidance

INTEREST RATES held steady on the London money market yesterday. Lack of economic data this week focused attention on statements of economic policy from Mr Nigel Lawson, the Chancellor.

Mr Lawson's comments in the House of Commons yesterday were made too late to have

13 per sent from November 25

any impact. Today he answers questions from a Treasury and Civil Service Select Committee. Three-month sterling inter-bank was unchanged at 13g-

bank was unchanged at 134-134 p.c.
The Bank of England forecast a money market shortage of £300m, and provided total assistance of £261m. Before lunch the authorities bought £110m hills outright, by way of £1m bank bills in band 2 at 1242 p.c., and £109m bank bills in band 4 at 124 p.c.
In the afternoon another £16m hills were purchased, through £10m bank hills in band 1 at 124 p.c., and £6m bank bills in band 3 at 124 p.c.
Late assistance of around £35m was also provided.

was also provided.

Bills maturing in official hands, repayment of late assistance, and a take-up of Treastry hills drained £30m, with Exchanger transactions Exchequer transactions absorbing £205m, and bank bai-ances below target £55m. These factors outweighed a fall in the note circulation adding £5m to liquidity.

In Paris interest rates were unchanged, despite news of a larger than expected French trade deficit in October. The trade situation is worrying, according to Mr Michel Rocard, the Prime Minister. A deficit for the whole year of FFr30bn

The trade news left the money market nervous about a possible rise in the Bank of France's official rates later this

A securities repurchase ten-A securities repurchase tender is likely to be held tomorrow, when the intervention rate may be raised from the present level of 7% p.c., with the five to ten-day repurchase rate also in danger of moving higher, according to dealers.

In Frankfurt call money remained firm at around 5 p.c.
This week's unexpected securities repurchase agreement

ties repurchase agreement from the Bundesbank has not fully offset the high minimum reserve commitments of the

Banks continued to hid for funds to meet these commitments, but the rise in rates is regarded as purely technical, and is not a signal of tighter monetary policy.

The Bundeshank council meets tomorrow, and is not

expected to change the discount rate from 31/2 p.c. or the Lombard rate from 5 p.c.

(Lunchtime) Price rate Broker iden rate Fee funds Fee funds	194 To 194 Sa 94 Sa 86 Co	erdent Grandt . Gerantt . Grand Frant .		763 Fary 323 French 550 Septi	TOP	9.06
Nov.29	Oversight	15.00 15.00	Page 1	Spirits Spirits	Sit Words	Londard Literature
Frankfart. Parri. Zarica Anystercam. Tekno sellan Brissel	13.71	455.4 (7) 71.3 57.57 100.25 100.25 100.25	23:00 3-07 14-3	455-500 6 3-57 4 3-59 531-5-53 4 4-575 12-12 73-54	\$ 96.5 05 84.84 84.82	5.00 7.25
L	ONDO	M MC	PAR	RATE	<u> </u>	
Nov 29	Twentight.	7 20 p	One Millson	Three Months	Sin Months	Year
Interbank Offer Interbank Bio Sterling CD-Local Authority Secus Discount Mkt Dess Contains House Deposits France House Deposits France House Deposits France House Deposits Flank Bills (3gr)	124	12:	Maria de la laca de laca de la laca de lac	HALLING COL	H. CG. N. CGG	12. 12. 12.

FT LONDON INTERBANK FIXING

The fining rates are the artificiants means mented to the representations, mentils of the bid and offered rates for \$100 cm and of the reference short at 11.00 cm and sort on the finite are National Westerland Back, Bank of Tokyo, Descure Sank, Sangue National or Park and Morgan Georging Trust.

MONEY RATES

(11.00 a.m. Nov.29) 3 months (15 dations

NEW YORK

discount 1.4.3 per cent, there must his 24 per cent, in about 9 per cent, Bank Bills pail) discount 1.2.5769 per Edit Finer Pairs Stering Sport Finers Pairs are designed in the Bills Bereign Indian Pail 1.000 per cent of 1.000 per cent p

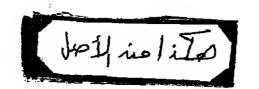
In this futures market, an element endures that can neither be bought

nor sold. Integrity. It comes from a history of honor. pride and purpose. It comes from going beyond government trading regulations to create stringent selfimposed regulations to further protect the customer. With a comnuterized audit trail that tracks every trade to the second. And a clearing corporation that assures every trade is marked-to-market, every day.

Through these turbulent times, there remains an institution with unmatched integrity. The Chicago Board of Trade. You can believe in it.

Chicago Board of Trade

The exchange to believe in. The Chicago Board of Tade European Office, 52-54 Gracecharth Street, London SCSV OEH England, (441) 989-9021



WORLD STOCK MARKETS

				OHED GIOON
esTRIA evember 29 Sch + m -	FRANCE (continued)	CERMANY (continue)	ITALY (continue)	SWEDEN
and and alt 17 005 1.E	Nevember 29 Frs. + or -	Hovember 29 Das. + or -	November 29 List + or -	Havember 29 Kraner + or -
MATERIAN	Arrillare d' Ent	BASF	Firefit Son 2, 905 - 5 Rissponte La 4, 780 - 90 845 - 42,000 - 120 SIF 2, 926 + 11 Suffa A 8,025 - 35	AGA B (Pres)
enginezianer	BSN 5.630 -20 Bassaire Cie 5.630	Bayer - 1790	Rissessiz La	Asea A Free
Skinghaes	85M 5,630 +200 Bassaire Cte 4,68 -5 BitP (car_lmx) 282 -4 Beghin-Say 508 -12 Do. Corts 358 -2	BARW Verein 512 +1.5 Bayn-Verein 347 -6 Belession 541 -14 Berliner knaft 117 -2	Salpeni 2.295	Astra B (Free)
Amideriana	Do. Certs 358 22	Berliner kraft	Slossigeso 29,800 +550 Stril Spa 9,860 +40	Ericaton B (Free)
	Gorges	B2FF-Bank 990 4 B.liffeper d. Berg 286 -2 Brown Bower 333 43.8	1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Cambridge III 42
eletum/Luxentagure Invember 29 Frs. + sr -	Carrefour	Brown Soveri	Self EPO 26.30 +4 Toro Assion 20,750 -180 Tort Franco 18,770 +29 Tast Franco 22,750 +29	Pharmacia B (Free) = 129 +2 Sash-Scania B Free 180 +3
D.L	Ctation 176 +0 Ctation 625 +10 Chargears 1,163 -28	Commerchank 232.7 -13 Continental AG 267 +0.5	Balcan	
lank lett. 8 luk	Chule Mediterrance 499 -12		NETHERLANDS	Signatia Inti
lasquir Mar. Berg 137,700 -500 letaert D	Club Mediterrance 499 -12 Dol Imeg 358 +2 Golff 358 +3 Golf 403 +19 Construct 403 +19 Construct 403 +19	Dalmier-Seez 731 +4 Deckel (Fr.) 140.9 -0.2 Depass 372.3 +3.3 Deskete Babcock 152.5 40.5 Deutsche Bapt 506.7 42.7	Revember 29 Fis. + or -	Size English
Shere	Coparer 350 +1.9 Cred FoxCler Fr 870 -8	Degusta 372.3 45.3 Destsche Baboock 152.5 40.5 deutsche Bast 506.7 42.7 Didler-Werks 216.5 40.5	ACF Holding	St Koppart's A Free - 294 - 703 Srita Cell'sa B (Free) 345 +1 295 Srita Hamietobs - 141
5,900 -70 5,900 -110 6,4FV -110 -100 -	Credit National 926 - 2 2 2 2 2 2 2 2 2 2	1 DKD#-Werks	Abold	Trenesorg 8 Fr 201 +LL 11
acker\$1	Datmert 3198 +10 Decks de France 2525 +5	Dragerwork	40 00 01	Yoho B (Free)
dinite	Delifora-Mileg	Feldouetile Nobel — 267.5]-1.5	AMRO	SWITZERLAND
6.AFV1 4.510	Earn (Ce Gen) 1,479 -1 Ecco 1,640 -7 Electrofis're 890 -15 Elf-Aportaine 357 +1 Do. Certs 304 +2	Goldschmidt (1710	Borsamii Webry 105.00 +0.5	Hovember 29 Fts. + er - 20 Adla isti
Abrique Not	Electrofistre 890 -15 Elf-Ageitaine 357 +1	Haparg Lloyd 283 -14 Harperter 415 -6 Heldelberger Zen 559 -6	Senter Parts 55.00 +0.1 Center Parts 55.30 -0.2 Centrale Solider 60.20 -1.8	Austrisse
8 Inne 8 M 1.248 +8 hb. AFV 1.260 +10 hb. AFV 2.3735 +20 hb. AFV 1 3.740 +40 hb. AFV 3 3.715 +10 hb. AFV 3 3.715 +30		Hesker	Centrale Soller	Baloise Hid Pig 2,130 1-20 6
BL(Brack	Eternit (Fig.) 2 525 Les		Felcher	Basit Les
emen	Eurafrance 1300 +2 Eurocom 1344 +24		Helpeten 138 50 HB 3	Do. Prg
o. AFV	Extr	Horts: 224 +1	Holl, Beton	Do. (PtCls) 1,930 -15 Credit Subse 2,690 -5
6, AFV 1 6, 520 6, 920 -20 7, 900 -30	Finestel 208 48 Fonciere Lyons 439 1	Hessel 437 10 10 10 10 10 10 10 1	Heater Douglas 72.60 140.4	Elektrowart 2,780 +50 8 8 1,860 +10 3 1,25 -25 8
lobskin 12,000	Fromageries 1445 GTM-Entrepose 780 -15	Kali & Sulz	KLM 37,70 +0.2	Bo Pre 175 179
0. AFY 11,900 through 3,470 -60	Finestel	Karstadi		
10.AFY 11.90 +60 +150 +150 +150	Hachette 776 48	I Klassbass Waste 1101 % L.3 7	Ned Mid Bank 180.50 1+2.5	Forto 2,900 2,900 2,000 2,000 4,000
0, AFV 2 3, 505 -20 rediction 4, 400 +150 0, AFV 4, 700 an Boldings 12,600 -150	Hachette 251 Hanas 599 43 Do. Certs 699 -1	Kraft Westerth 254	Neithors	Holderbank (Br) 5,300 +75 300 Holzsteff (Br) 5,390 +90 Hospectorate int 2,110 1675
117 (150) 4.136	Imperibles de Fr	Lefflert 432 +55 Lefflert 432 +55 Lefflert 694 -3.5 Lefflert 141.5 -0.5 Do. N/V Pref. 117 -1.5 BAB 216 +1.6 Bo. Pref. 175.9 +3.9 Manufacturary 126.6 +40.6 Marches Nid 598 +3 Metallegatet 333 +1.5	Retricia Ver B 247.50 +0.5	LDn Ptn
affinerie Tirle 1,665 marte Belge 5,000 -100 o AFV1 5,000 -50	Immobiliarius 322 -2	Do. N/V Pret,	Paidoed	[Jelson 12,800 1 3 4/
0.APV 1 5.050 -50	Industrielle 2,950 +6 Interball 544 +7	MAR 216 +1.6 Do. Pref. 175.9 +3.9 Manuscripp 186.6 +0.6	Philips	Do. Ptg. Certs
	Indestrieffe 2,950 +6 incerhall 544 +7 incerhall 544 +7 incerhall 3,166 -34 Lafarge Coppee 1329 -2	Manufestrari	Philips 30.10 -0.1 Robeco 94.20 +0.6 Rodamo 154.40 +0.2 Rodamo 197.30 +0.7	
0. AFV	Lafarge Coppee 3,186 -34 -2 La Henin 575 +3	Mercades Hid 598 +3 Metalligesell 335 -1.5		Mag. Globus Ptg
Lennick Int	Industrielle	Muser Rosch 2,250 82	Regard Osich 00.20 Regard Osich 222.10 -1.7 Unitere 112.30 +0.5 VMF Stark 22.70 +0.2 VMU 56.50 -1 Westare9 50.30 +0.3 Woltes Klower 118.30 +0.3	MESOC
AFV 15.960 -40	Locafrance 416 -0 Lyons, des Eaux 1444 -2	PWA	VNU 86.50 1 Westanto 80.30 +0.3	Pargesa 8 kg
rectribel 8.340 -30 b. AFV 1 8.200 -10	Mary CA (22)	Porsche 613.2 +6.2 Porsche 570 +6	Westands 80.30 140.3 Wolters Klower 148.30 140.3	Saniez (Br)
10. AFV 2 8.440 10. AFV 3 8.270 -70 10. AFV 4 9.360 -40 10. AFV 4 9.300 -40 10. AFV 9.300 -40 10. AFV 9.300 -40 10. AFV 9.300 -50 10. AFV 1 2.530 -20	Mertin-Gerto 3,250 +10	Douckle 570 +6 Pressal 169.2 -0.7 Recinstricts 1260 +1. 260.2 26.2 42.2 26.4 27.2 26.5 27.2 2		Saniez (Br) 10,600 +100 Do. (PtOs) 1,640 -25 Do. (PtOs) 700 -5
0. AFV 4	Mid (Ch) 1575 -13	Do. Pref. 2118 +28	November 29 Kruser + ar -	Do. (PtCts) 700 -5 5
0. AFV 9.310 -40 0.679 2.615 -35 0. AFV 1 2.610 -20	Manigation Mixt 1190 -8	Rheinmetall Berl 370 -3 Do. Pref	Aber	Sika
0. AFV 1 2.615 -35 0. AFV 2 2.610 -3	Nord Est. 122 -0 Norrelic Safer. 645 +16 OFP 1451 -19	Resemble 242 -1 Schering 549.8 +2.8 Schmattack-Lab 16.3 +2.5 Signers 425 +2	Bergess Bank	Swiss Bank 362 +6 Do. Ptg. 276 -1 Swiss Releases 10,775 -125 Do. Ptg. 1,620 -5
0. AFV 2	0FP 1.451 -19 0rsan 472 +1	Siemens 475 42 Springer Vig Rg 480 45		Swiss Relative
	2 David Davidson Control		Dyso ind	Swiss Volkstok
ENMARK	Paris Remonance	Taysten 250 Varta 307	Kontrol	Swiss Reissze 10,775 +125 Do. Ptg. 1,620 -5 Swiss Voltchik 1,725 +5 Union Bank 3,150 -10 Do. Ptg. 1,15 -0 Winterbar 4,810 +25 Do. Ptg. 656 +9 Zurloh las 4,920 +70 Do. Ptg. 1,670 -10 Mills 1,67
sventher 29 Kr + er -	Perrier 1,303 +2 Penget S.A 5,233 -3 Policia Signet 1,101 +11	Varta 307 Velu 264.7 -0.3 V.E.W 1160 Verein-West 373 -5 Volksynapen 312.7 -62.7	Keserner	Do. Ptg. 656 49 Zurich les 4,920 470 Do. Ptg. 1670 -10
arisher9 1,290	Pretabell Second 1,101 +11	Verein-West 373 45 Volkswagen 312.7 42.7	1 Orkin Correcting 220.0 -2.5	Do. Ptg. 12670 1-10 N
9eneral 308 Seneral 566.7 47.1 en Danske Bank 381.9 40.8	Printemps An	Do PreC	Storetrand	SOUTH AFRICA
net Aulatic 1266 R 146 2	Radiotech	Zanders Felo per 235 -3	SPAIM	November 29 Rand + er -
3T Holding 200 S.S. B Systems 705 ysic Bank 459.50.5	Rome-Pool (Cits) 448 -2 Rosssi-Uciar 1,250 -5 SILIC 730 -5 Sagem 1,635 +3 St. Cobain 531 -4		November 29 Pis.% + ar -	Aberram 4.9 -0.05 4led
cedisk Kahel	SILIC 730 -5		Banco Biliteo Viz 1,190 -5	Affled Tech
ove feets 258.9	Sagest	HAVE 29 Line + or	Banco Extent 1,005 -10 Banco Extent -10 834 -16 Banco Popular 1,830 -8	Anelo Am Corg 160.35 H1.1 1730
oral Channel A 13413 1483	Sasoti		Banco Exterior	Anglo Att Gold
rhathanken 273 ngal Chages A 338.3 48.3 solidir IFO B 2369.4 422.1 ophus Boreadson 859.7 44.3 sperfos 4168.1 4154.5	Sanori 775 +3 Schmelder 554 -1 Seb SA 776 -9	Basica Coor le	8000 Santander 1917	CXA 6#110 6.25 -0.1 -10.2
	Selfines 458 +2 Sinuco 558 +3 Skis Rossignor 122 -18 Soc. Gen. de Fr 567 +10	Bastogi-IRBS 296 +2 Benetical 10,400 +50	Banesto 1,005 Citroès Heparda 1,330 -10 Corp. Mapire 1,515	De Beers
INLAND	Skis Rossignof	Burgo (Cartiere) 14,000 1430 CIR 5,905 1425	Dragados 1449 1-7	Deeliraal Gold
ovember 29 Mks + 6r -	Soproer-Arithert 2,160 -25 Sole-Bailguoiles 446 -3 Souz (Firrile) 302 -3	Caffaro 1.083 -12 Cenentir 3.820 +15	Electra Vieupo	East Rand Gold
mer 169.5 +2 Inelsh Sugar 72.5 +4.05 Internaki I Free 76.5 -3 Intramaki K Free 170 -11	Sorz (Firrie)	Closhotel 4638 -5 Cofide 5,690 +30 Credito Italiano 1609 49	Esp Carbanas Mt	First Mat. Bank 14 Free State Cons Gold 29.5 40.15 Fins
ustamaki k Free 170 -11	Taittinger 2,900 +1 TRT 1,150 -20 Telement Elect 3,902 +1	Credito Italiano 1.609 49 Danieli 7,940 -10	Esp Acres Teder	Gold Frields SA
0P64.5 .000824.5	Thumson (CSF)	Eridada 5501 99	Feesa 50.5 +0.4	
282 45 125.5 125.5 139.3 40.5 140.75 140.75	UFB Locaball	Fiat 9,745 +14 Do, Priv. 6,030 -35	Historia Canada	Kloof Gold
2003-R70062 136.5 1+U.39	Resource	Fondiaria 68,200 -250	Derdutro 119.8 -0.9	Libanon Gold
RFC 30.85 H07	Valen 597 -1	Gentina 1,730 15 Generali Assitut 44,150		OK Sezzars 11.3 +OT
Hat. Paper Prf. 121.5 +1 Varts (s (s (s)) 167.5 +1		153 PAN	Portland Vald	Palabora Mining 45 42.25 Dow
NATIONAL COLUMN STATE ST	GERMANY		Sartio 343 -4 Sartio 480 -29 Sevillata Elec. 103.1 -0.7	Safmarine & Res 19
RANCE	November 29 Dut. + or	Italians	Tabacalera	Sage Holdings
evember - 27 Frs. + er	AG Ind & Verlehr	Magneti Marelii 2,900 -20 Mediobanca 19,451 -49	Town Noticeth 1/3.0 -U.4	SA Mand. Amor 18.6 -0.2 TOA
tirique Occident	Allianz AG	Mount! Marelii 2,900 -20 Mediobace 19,651 -49 Mira-Large 40,010 -340 Mostesison 1,930 +10	Union Elec-Fest, 80.7 -0.6	Tonorat Rulett
Ur Liquide	AEG 108 Vertein 198 -2 AG lod & Vertein 451 +3 Aschepter Muench 777 +7 Allianz AG 1,773 -5 Altana 342 +1 Achn Destricte K 728 +12	CHITCH THE TANK THE PARTY IN TH	Uralitz 617 -9	Vaal Reefs
ktion 1359 [-3	Do, Prf	Presi Co	U/blç Ser.2 466 -4	Men
		at the second		OTC OTC
IAPAN				AUSTRALIA (continued)
levember 27 Year + ar-	November 29 . Yes + or	Herenber 29 Yes - + pr -	. Hovember 29 Yes 4 ar	Hasember 29 AustS + er - C

Acetr	AG lod & Verkehr	Magneti Marelli 2,900 -20 Mediobanca	Telefonica	SA Mang. Amor
Air Liquide	Attana 342 Asim Destrobe K 728 +12 . Do, Prf. 595	Montelison 1,930 +10 Olivetti 9,420 +40 Pirelii Da 6,900 +15	Union y of Featx	Vaal Reefs 270 ±3 Western Deep 108 +2
		.1		
JAPAN	November 29 Yes + of	Herenber 29 Yes + or -	Hoverber 29 Yea 4 or -	AUSTRALIA (continued) Herember 29 AustS + er =
Alesono Brain: 329 +37	Japan Radio 1_540 +70	N850 Sec (1.800 1+30	Takara Shutu 820 -6 Takashimaya 2,570 -30	MIR
Alebono Brain: 829 +37 All Nippos Air 1,730 +10 Alps Electric 1,630 +40	Janua Synth Rev	Migron Cred Buk 111,700 14100	Taushe Selyaku (1.790	Mayne Nickless 5.70 -0.04
Amada	Japan Woot	Mippon Elect 61	Tellis	Nat Consolidated
Apritsu	1,800 420 1,800 450 1,800	Nippon Fire	Top Harbour Wis 1,040 -20	I North Alca KID
Aoki Corp. 1,010 1+10 Arabian Dil	Kantesto 1600 +110	Nippou Galds	Toto Railway	1 North Keigeril 10.26 1-0.01 1
Asahi Chemicals 1,040	Kanebo 645 +2 Kanegafuchi Cam 896 +1	Nippon Kayakn 1120 +20 Nippon Meat Pack 304 +13 Kippon Meat Pack 30 Kippon Meating 779 +19	Totu Raftvay 1,420 +30 Tuel Co. 988 -31 Totu Captric 25,500 -800 Totubu Electric 2,900 +30	0PSM
Atset 70/00 1.090 +30	Kansal Elect Power 3,970 170 170 16	Microst Cit	Tokal Carbon	Northern Star
Bank Tokyo 1,540 +20 Banyu Pharm 1,520 +20 Bridgestone 1,310 +10	Kao Corp 1,720 -10	Nippon Paint	Tokin Marine 2,270 +20	Diseas Davillo 17.33 LA02 1
Brother lads 764 1-4	Caracasi Kiser 985 431 132 133	Nippon Selvo	Tokyo Electric Pag 2,730 +80	Placer Pacific
CSK Corp. 4,760 +60 Calpis Food 1340 -10 Calsonic Corp. 825 +10	Kelhin Elec Exp	Nippon Strates 1.180	Tokyo Electron	SA Browing 232 -0.03 Sastos 3.35 ar -0.01 Smith (HJ 3.75
Canon Sales	Winds Winson St 1 200	Nippor Scheptin 1,400 Hillipor Scheptin 544 H8 Nippor Scheptin 553 -6 Nippor Scheptin 544 H2	Tokyo Steel 3,040 +100 Tokyo Style 1,740 +10 Tokyo Car 1,100 -80	Sons of Guada 3,40 -0,1
Central Finance 684 +4 Central Glass 742 -3 Costa Bank 1,250 -30	Kinki Elect 2,640 +40 Kinki Mippon Ri 1,290 Kirin Bressery 1,940 +20 Kohn Steel 742 +15	Mippon Sulsi 654 48 Aippon Sulsi 658 -6 6 Aippon Sulsines 638 -6 6 Aippon Sulsine 647 +12 Aippon Sulsine 655 -7 Aippon Sulsine 655 -7 Aippon Sulsine 656 -20 Aippon Sulsine 656 -20 Aippon Sulsine 656 -20 Aippon Sulsine 656 -20 Aippon Sulsine 656 -25 Aippon Sulsine 656 -25	Tokye Corp 1,780 430 Tokye Land 1,230 +10	Tooth 7.10
China Bank	Kolto Mig 3,940 -60 Kolsosi Electric 2,770 +110 Kolsoyo 2,840 +30	Mippon Yuste 1300 -20 Mippon Yuste 910 +29	Tokyu Laed	Vassges 2.40 — 2.40 — 4.76 — 0.09 — 4.76 — 0.03 — 3.02 — 0.03
Chubu Elect Pier	Konatsu 925 +3 Konka 939 +29	Mishimatou Coos 946 1419	Toray	1 Weston (6) 14 60
CIGARI MAIOR (040 1414	Korakuen Stadium 3,950 450 Koro Sciko 1,120 410 Kabota 902 -13	1 Alissel Sangro 11,660 1490 '	Totheku	Westpac 5,60 -0.04 Woodside Petrol 1,89 +0.03 Woodwartts 3,61 Wormald let 1,90 -0.03
Dalcel Chemical 793 43 53 54 55 54 56 56 56 56 56	Kanadal Chemical 870 -5	Rissist Flour	Toyo Construct 783 +18 Toyo Islam 890 -20 Toyo Islam 8144 Toyo Islam 1280 +14	NOTABLE NO
Dalet 2,040 456 Dalfolu Machine 1,010 420 Dal ichi Kan Bank 3,130 430	Kurabe teds. 707 +23 1,220 1,220 1,050 410	Nissbo real 720 4 Rissla Electric 891 +46	Toyo Jose 1.280 +10 Toyo Kanetse 810 -10 Toyo Rubber 711 +10	HONG KONG November 29 H.K.S + sr -
Daikin fads	Kurta Water	Nissin Food	Toyo Rubber 77.1 +10 Toyo Selkar 2,370 +20 Toyo Sola 666 -2 Toyota Motor 2530 +20	Amoy Props. 2.85 +0.03 Bank East Adda 18.10 +0.2
Dat Kingga ink	Kusta Cartanic 19730 1+10	Rissish Flour	Tokyo East	Carthy Pacific
Dai Minton Torvo (1,300 1+330 1	Kyoto Ceraesie 5.230 +10 Kyowa Bank 1.250 Kyowa Hatko 1.530 +30 Kyestu Electric 2.800 +80	Nortiale	UBE inds 667 58	China Light 13.50 xz -0.2 China Motor 23.50 +0.1 Cruss H'Bost Tail 15.80
Dal Tokyo F&M 1,180	Lion Long Term Crest 20,000 45	Oki Flecter 239 1422		Dao Heng Hidgs 1.24 +0.06
Daiwa Bank 1,490 200 Daiwa House 1,90 200 2,200 Daiwa Sec 2,200 2,			Victor 11,980 - 1450	light and income and a second
Desay's 3180 +220 Olese's Kild 770 +5 Donz Fire & Mar 960 +17	Marcia Construct 1,340 +20	Daoda Coment	Yasuba Motor12.170	Hangs Setty Brain:
Down Mining	Manufeld Steel 17 950	Orient Lancian	Yamatchi Se:	NK COMM 1/10
December 170 150	MEI 2,450 +50 Natsw Elecz, Wiss 1,840 sc +70	Ossica Cas	Yanatan Konjo 1.300	HK Lacture 9.55 +0.15 HK Realty & Tr A 5.15 +0.1 HK Shangkal Bank 6.30
Sasur	Mania Motors 1794 1422	Prima Meat Pack 1784	Vacada Fire 1290 His	HK Shaoghai Hotels _ 5.70
Full Electric	Meiji Selka	Royal Co	Yokotawa Hekash 1,360 TO Yokotawa Bank 1,360	HKTV-B
Fuji Heavy Ind	MBmri Coca Cola	Saritame Bank	Yokohema Rubber 942 17 Yokohemi Land 2,200 40 Yokohemi Pharm 1,220	Indust Equity P
Full Spinning	Milisana Romes	Sander 505 Sankyo 1,940 Sarraha 1,240 Sanraha 4,000	Yield Battery	Jardice Strigic 9.35 1-0.05
Folies Liest 929 +19	M'hishi Chem 1,020	Sarres Shotter 2,860 Sarres Shotter 1,300 Sarres Shotter 790	AUSTRALIA November 29 AustS + sp	Kowloon Motor 8.55 Mandarin Orlent 9.80 Nan Fang Text 9.80 New World Der 12.90 +0.2
Gabber 1,800 +100 Geo Sekhet 1,550 +30 Good Shusel 1,470 Geon Cress 1,580 Gun-El Chem 632 +1		Sarryon 1750	AWA 250	
	1 1 1 1 1 1 1 1 1 1	Seion 5,800 4690 410 Seion Transport 1,960	Amatil	State Boarby
Hankys Core	N° bishi Oil	Seine Transport 1,960 Seine Transport 1,960 Seine Transport 1,920 Seine Transport 1,920 Seine Transport 1,900 Seine Transport 1,900 Seine Transport 1,900	Amoor 4.42 -0.04 Arhabe Aust 0.12 -0.04 Arnotts 5.20 -0.04	Sine Darby 2.17 +0.02 Sun Hung Kal 2.05 +0.03 Swine Pac A 18.50
Hasegawa Kom	N histi Paper 13-0 -10 N histi Paper 15-10 N histi Paper 15-10 N histi Petchen 15-10 H histi Paper 15-10 N histi Rayon 165 -1 N histi Rayon 164 -2 N histi Rayon 164 -2 N histi Rayon 164 -2 N histi Rayon 165 -2 N histi R	Setisif Open 1,200 +10 Setisif Name 1,200 +20 Setisif Home 1,200 +20 Setisif Paperboard 950 -12 Seven-River 6,550 +50 Surp 1,070 +50	AN7 Green 15.42 Ln 62	
Helpes Real Est	W bleit Plattics 765 -1 W bleit Rayon 616 -2 W bleit Rayon 3,100 -2 W bleit Us 7190 -20 W bleit Watches 7190 -20 W bleit Watches 7190 -20	Sharp	FBHP	Do. 8
Kirose Electric	Mrtesi Bank 2300 420 Mrtesi Bank 930 423	Shie-Etia Chem	1 16H Emm 1 1 10 1 -0 02	Zong Fu 2.95 +0.05
Hebra Real Est 1,670 469 160	# The Planties	Shockflat	Board Corp Hidgs 1,75	SINGAPORE
Midweld Edeanle 17 7RO 1470	Mitsul Petchern 1.230	Stotus Autolog	8 ville Corper 3.10 Bracobles lock 10.95 -0.1 Bridge Oil 96 +0.01	Nevember 29
Hitachi Safes 745 -1 Hitachi Zosen 603 +33 Hokkatdo Elect 2,850 +140	Mitori Tci & Bizz 1,900 +10	Shows Shows	Buresterg Sugar 2.60	Cold Storage
Ritarial Sales 745 -1	Missai Waretoe 1.000 Missaiosh 1.390 +10 Missaiosh 1.000 +30 Missaiosh 1.000 +30 Missaios Sportios 1.330 -10	Sayark	Calter Aust 2.05	Fraser & Neure 6.55
Heeds 1,960 420 Heeds Paper	Misses 1,066 1,250 1,066 1,0	Sony 6,700 +100 Sunity Electric 998 +1.7 Sumitorio B'iliz 940 +1.3 Sumitorio Basin 3,640 -10	Character 0.79 -0.01	Fraser & Moure 6.55 Genting 5.15 How Fire Eros 2.94 How Leony Fire 2.33 House & Gall 4.66 Keppel Corr 2.72 Halagan Banking 4.66 House 4.66
Hoya 892 +2 1590 +60		Sunitomo Bask 3,640 -10 Sunitomo Cament 919 -1 Sunitomo Clem 919 +7	Clartenant Petro	Majaran Strd Ind 1.63 +0.02
No. No.	MFT 1.970 +90	30040000 0000 14100 1400	Complete W	0CSC
1.430 1.43	NGK heatsters 1, 1030 +20 NGK Spark Phig 1, 100 +10 NGK Sprik Phig 913 +10 NGK Corp. 943 +6	Santitorio Henry 960 +70 Santitorio Ligit M 690 +14 Santitorio Merio 773 +20 Santitorio Merio 773 +20 Santitorio Merio 773 +20	Date Grass	
isakawejista Na 1190 +10	MKK Corp. 943 +6 MOK Corp. 880 -15 MTR Toyo Brb 794 -632	Sunitorio Marine	Energy Res 3.10 -0.05 FAI insurance 3.40 -0.1	State Carby

CANADA								
TORONTO Zom prices November 29 Cuchations in cents unless marked \$ 6458 AMCA list 365 360 360 360 360 360 360 360 360 360 360	Select Shock	State	Section Sect					

								IND	CES						
NEW YO	RK		DO	W JO	NES					Nov.	Nor.	Not.	Nov	19	88
	Nov	Hov	Nov	Nor		988	Since co	mpliation		29	28	25	24	High	Low
	28	25	23	22	Kigh	Low	High	Low	AUSTRALIA Ali Ordinaries (1/1/80)	1472.0	1490.1	1506.0	14989	1657 5 19/50	1170 7 (10/2)
élodustriais	2081.44				2183.50 (21/10)	1879.14	2722.42 (25/8/87)	41.22	All Mining (1/1/80)	682.2	690.1	703.1	7002	847 £ (9/E)	532,4 (10/2)
Home Books	89.01	89.05	89.26	89.19	91.25 938.33	86.12 14/10 737.57	-		AUSTRIA Credit Aktien (30/12/84)	223.20	221.60	221.70	222.00	225 48 (4/11)	163.98 (11/2)
Transport	920.84	907,72	919.48	897.92	938.33 (25/10) 190.02	(21/1)	1107_16	12.32 08/7/32)	BELCIUM	-	-				10.101220
Villities	182.61	182.57	182.67	182.67	190.02	167.26	227.83 022/1/87)	10.50	Brassels SE (1/1/84)	5341.90	5370.70	5386.70	5393 0	5393 00 (24/11)	3508.35(4/1)
4Day's High 2095,48 (2085,53) Low 2062,23 (2062,77) DENMARK Chorateges SE (3/1/83) 249.63 (247,78 248.61 247,78 248.63 (29/11) 180.68 (4/1)															
STANDARD AND POC	268.64	267.23	269.00	267.21	282.88	242.63	336.77	4.40	FINLAND	741.0	738.9	739.7	736.2	7721	
Industrial	309.85	307.64	309.45	307.55	(20/10) 327,53	277.86	025/8/871 393.17	0,632	Unitas General U1975)	7410	738.9	1,51,1	1200	772.1 (8)(8)	530.6 (15/3)
Figarcial	24.34	2A.28	24.57	24,43	(24/10) 26.42 (20/10)	(20/1) 21.51 (8/1)	025/8/877 32,43 025/8/877	121/6/320 8.64 CJ/10/740	CAC General (31/12/82)	390.5 (a)	392.1 149.5	393.5 151.5	393.I 151.1	347.2 (9/11) 153 4 (4/11)	251.3 (29/1) 89.7 (29/1)
NYSE Composite	151.25	E402I	15141	150.55	159.01 (20/10)	136.72	187.99 (25/8/87)	4.46	GERMANY FAZ Aktien (31/12/58)	521.33	522.55	527.74	529.51	542.21 (27/10)	3% 40 (29/1)
Ames Witt. Value	291.67	291.19	290.09	288.22	20/109 309,33 110/6)	262,76	365.01 (13/8/87) 455.28	(25)4)421 29.31 (9)12/72)	Commerzbank (1/12/53) OAX (30/12/87)	1567.0 1262.55	1570.7 1259.13	1588.4	1594 b	1641.60(27/10) 1314 98 (28/10)	1207,9 (29/1)
NASDAQ OTC Comp	366.09	366.38		365.36	U0/63 394.77 (18/7)	331.97 G2/D	(26/8/87)	G1/10/72)	HONG KONG Hang Seag Bank (31/7/64)	2632.68	2625.08	2656.08	3466.E2	272.53 (12/7)	931_18 (28/1) 2223.56 (8/2)
	No. 14		w 25	Nov 3		3.81	year ago (3.5		ITALY	-		-	V		mayor with
Dow Industrial Div	Y LENG		v 16	Nov		Nov 2	year ago (Bases Com, Ital, (1972)	574.22	573.91	580.21	300.8 5	593.43 (9/11)	423,93, (9/2)
S & P Industrial div S & P Indi, P/E rat	r. yleki . Io		32 2.13	3.19 12.6		3.09 13.52	33 163		JAPAN ⁶⁰ Mildel (16/5/49) Tokyo SE (Topio) (4/1/68) ,	29318.30 2269.15	29983.32 2245.50	29406.65 2275.41	20040 (H 2073.51	29630 12 (22/11) 2278 83 (22/11)	21217 04 (4/1) 1690 44 (4/1)
TRADING ACTIVITY	28 1	ittlions lev 25	f Volum		Issues Trade	Nov	1 1 81	1 913	NETHERLANDS ANP-CBS General (1970) ANP-CBS Industrial (1970)	271.2 238.9	270.3 238.5	272.9 241.0	293.3 200.7	285 8 126/10) 252 6 G1/10)	205.7 (4/I) 157.9 (1.1/1)
New York 12		72.090 4,766	112.01	0	Rises Falls Unchanged , New Highs ,	7	20 778	882 517 514	DSIO SE (4/1/83)	419.42	420.77	419.49	400.96	423 64 CLI/II)	327,78 (28/1)
	3.802	50.065	103.66		New Lows		26 24 35 2	31 32	Straks Times Ind. (30/12/66)	J003.37	1002.55	1010,9	1002.19	1177.87 (8/8)	833,60(4/71 .
CANADA	No. 25		iov	Nov	Nor	High	1988	Low	SOUTH AFRICA JSE Gold (28/9/78) JSE Industrial (28/9/78)	1331.04 1846.04	1330,0 1839.0	1284.0 1838.0	1226.0	145L Q (7/7) 18:7 0 (2/11)	1154.0 (4/5) 1387.0 (12/2)
Metals & Minerals		7.0 2	904.0	2896.2	2848.3 3246.1	3226.5 (5/7) 3465.4 (5/7)	223 297	8.7 (8/2) 7.9 (8/2)	SPAIN Madrid SE (30/12/85)	282.23	283.50	283.77	282.51	301.63 (15/6)	225.50 (4/1)
MONTREAL Portfolio	_ 1617	.98 16	22.02 IJ	619.85	610,24	1723.71 (5/7		06 (27/1)	SWEDEN Jacobson & P. (31/12/56)	3181.70	3157.70	3199.60	3254,40	3267 33 (4/11)	2148.5 (4/1)
NEW YO	RK	AC	TIVE	ST	OCK	S			SWITZERLAND Swiss Bank lpd. (31/12/58)	4	577.7	580.2	574.1	562.3 (21/10)	466.6 (13/1)
Monday First Bk Systems	Stock trade 4,473	3 Cho	sing Co	kange u day	T&T	tra	ets Clasi ded pric 50,000 29	e oo day	WORLD M.S. Capital Incl. (1/1/70)	(a)	482.9	488.8	491.1	49L1 (24/LI)	401.0 (21/1)
Texas Utilities First Chicago (mil) Rortheast Utility R JR Nabisco	3 739 2 461	300 2 600 3 200 2 900 8	100 + 1875 + 1975 + 1975 +	is Mo	الف	12	50,000 29 85,200 44 92,200 118 44,400 19 36,100 74	2 + 23	Subject to official reci	Nov. 20	b: Japan	Mikkel 2	9343.59	and TSE 2273.7	0

TOKYO - Most Active Stocks Tuesday 29 November 1988 725 +40 980 +70 630 +29 790 +25 603 +33

ON BUSINESS IN LUXEMBOURG? Enjoy reading your complimentary copy of the Financial Times when you're at the Hotel Cravat, Hotel Aerogolf Sheraton, Intercontinental Hotel, Hotel President FINANCIAL TIMES

Have your F.T. hand delivered . . .

. . . at no extra charge, if you work in the business centre of ATHENS

Athens (01) 7237167

And ask Bill Vogiatzis for details or call
Hellenic Distribution Agency on Athens (01) 9919328/9922483

FINANCIAL TIMES

Have your F.T. hand delivered in Norway

If you work in the business centres of BERGEN.
OSLO or STAVANGER — gain the edge over your When you take out you

12 ISSUES FREE

OSLO or STAVANGER — gain the edge over your competitors.

Have your Financial Times personally delivered to your office at no extra charge and you will be fully briefed and alert to all the issues that influence or affect your affect your office. Then see for yourself why william Ungeheuer. Time magazine's senior financial correspondent, describes us as "the paper with the best coverage of international finance."

© Oslo (02) 684020 And ask Heidi Åastorp at Narvesen info Centre-NIC for details.

FINANCIAL TIMES

Liurope's Business Newspaper

PRO

Chiga Cione Prev. Cinete Ciem 44½ – ½ 50½ 28¼ + ½ 17½ – ½ 17½ – ½ 7 15½ + ½

2 T. Pentry 1.30
2 T. P TART IN THE PERSONAL TO SERVICE T

| Change | Part | Change | Cha Continued on Page 51

The clear advantage

多分子是这一个,只有一个,我们也不是有什么?""我们,我们也有一个,我们也是是这一个,我们也是我们的,我们也不是一个,只有一个,我们也不是一个

A NOVEMBER 101

OVER-THE-COUNTER

Nazdeq national market, 3pm prices November 29

(triposico) Estrico) Fisos venir

at no extra in the business centres of Madrid Barcelona Bilboa Sevilla

| Section | Sect charge, if you work Madrid (01) 7339548 And ask IPS for details.

FINANCIAL TIMES

COMPOSITE PRICES

Confidence | Confi

| The blanch | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100

| St. | St.

AMEX COMPOSITE PRICES

3pm prices November 29

Stanck Div. 8 feets | Negs | Love | Choose Carre |
Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor | Custor

| Steach | Direct | 1990 | Name | Lower | Indigity | Size | 202 | 242 | 253 | Indicatory of Jr. | 15 1842 | 1845 | Indicatory of Jr. | 15 1842 | 1845 | Indicatory of Jr. | 15 1842 | 1845 | Indicatory of Jr. | 15 1842 | 1845 | Indicatory of Jr. |

RAC a 123e RBW Rages .12 Rases .12 Rases .12 Rases .12 Rases .12 Rases .13 Rodek .22 Rases .13 Rodek .22 Sanch .25 S

Programme trading lifts Dow after weak opening

A BURST of programme trading in early afternoon pushed Wall Street stock prices sharply higher yesterday after a morning of desultory low-volume trading, writes Karen Zogor in New York.

Equities had been largely unmoved by the release of the revised figures on third quarter gross national product. Rapectation of a discount rate increase remained unrealised and analysts now believe an increase is unlikely before the release on Friday of November unemployment figures.

At 2pm, the Day Year

release on Friday of November unemployment figures.

At 2pm, the Dow Jones Industrial Average was inp 16.89 at 2,088.33 after training only a few points above the previous close through yesterday morning. Volumes were very low with less than san shares being traded by 2 in.

The revised GNP figures showed real growth of 28 feer cent, up 0.4 percentage points from previously reported figures. Like stocks, bonds were little affected by the revised figures which were broadly in figures which were broady in line with expectations. After dipping initially during enty trading the price of the long bond rose by % of a point with its yield slipping from 9 When its yield slipping from 9.15 per cent to 9.13 per cent.

The dollar followed the same pattern, recovering by early afternoon to around Y122 from

a mid-morning low Y121.40. at \$10%, down \$% following its announcement that it expected in Tokyo overnight to keep thedollar around Y122, and the dollar ended in Tokyo at Y122.15 and DM 1.7373. RJR Nabisco, the most active

stock on the New York Stock Exchange, added \$1 to \$90. Its financial advisers are believed to be seeking a floor of \$100 a share on leveraged buyout offers. The deadline for revised bids was to close at 5 pm yes-

to \$16% following an announcement that the company had rejected an unsoli-cited cash tender offer of \$20-a-share by MAI Basic Four, a competing computer maker. Prime shares are now just over \$1 above their October high of \$15% before the bid was

Wall Street remains highly sceptical of the logic of a take-over by MAI of Prime and of MAI's ability to handle the indebtedness of the combined group. MAI edged ahead \$% to \$8% yesterday.

TW Services surged to \$24%,

up \$21/2, following the news that Coniston Partners, a New York investment firm, is seeking all of TW's common stock with an offer of \$29-a-share. Originally Coniston was seeking only 30 per cent of TWa stock. The company has already rejected its offer.

Reebok International traded

net income for 1988 to be down from \$1.49 last year to around \$1.15-\$1.20. Sales of Reebok brand sports shoes were meeting targets but sales and earnings of its Rockport and Avia divisions were below expecta-tions. It has started to taka remedial action, such as laying off more than 100 workers.

Texas Air fell \$% to \$13% after its Eastern Airline subsidiary announced fare cuts on routes from the Eastern US to Florida. The announcement came less than a week after Texas Air led an industry-wide move to discontinue some cut-

Canada

GOLDS, energy issues and base metals helped Toronto shares higher in early trading. with the composita index adding 3.45 to 3,264.65. Advances outpaced declines by two to one on light turnover of

4.8m shares. Crownx, which said its Crown Life Insurance unit will withdraw from the US group life and health insurance business, was unchanged at C\$11%. Crown Life was flat at C\$11%. Texaco Canada gained C\$% to C\$39%, with Bond Corp Holdings saying it was accepted into the second stage of the auction for the oil major

EUROPE

Somnolent tone continues despite corporate activity

THERE were signs that at 403.90. Turnover was weal European bourses had again after Monday's FFrLibr plumped for early hiberation yesterday, as volumes styed dismal despite sparks of increst from corporate activity, unites Our Markets Staff FRANKFURT recovered from

Monday's steep losses as slec-tive buying interest and clack of sellers helped shares idge ahead late in the session in very light trade. "The market has just run out of idea," said one analyst, who predicted that it would make little ground until the new year.
At midsession the FAZ index

was down 1.22 at 521.33 and by the close the DAX had gined 3.42 at 1.262.55 as shares in the just DM1.6bn changed hads. One of the reasons for the raising questions over its depressed sentiment was the release of figures from Com-merzbank, which showed a 6 per cent drop in 10-month partial operating profit to DM532m. The results were at the bottom end of most espec- L100bn, well below average. tations, and Commerciank shares fell DML 30 to DMS2.70.

Dresdner Bank – due to report today – rose DMI to DM92.50. Pharmaceuticals, metals and chemicals group Degussa climbed DM3.30 to DM372.30 after revealing better than expected nine-month sales of DM13.6bn, up 16 per cent on last the control of the co

PARIS had another uninspiring session in low volumes as interest rate worries curtailed trading in all but a few stocks. One Paris analyst said: T was almost asleep, the market was

News of the October trade deficit, which came in at FFr4bn against forecasts of between FFr2bn-FFr3bn, had little apparent affect. They

Eurotunnel was one bright spot, with strong demand con-tinuing and about 264,000 shares changing hands. It rose by 85 centimes at one stage and closed 25 centimes higher at FFr51.20. Private investors and fund managers alike were jumping on the bandwagon after calculations of the stock's longer-term potential value. Nouvelles Galeries climbed FFr16, or 2.5 per cent, to FFr645 after Monday's news that investment firm Hong Kong industrial Equity had

built up a 5.5 per cent stake,

MILAN closed slightly higher in quiet trading as worries about international interest rates and an absence of overseas investors kept gains to a minimum. At the close the Comit index was up only 0.30 at 574.22 on volume of around

Fiat rose L14 to L9,745, regaining some of the losses following the resignation of Mr Vittorio Ghidella last week. London investors were thought to be buyers of Fiat yesterday, said one dealer. Italy's leading textile group

Marzotto advanced L285 to L6.790 on atrong overseas demand. Marzotto shares are tightly held, both in London and Milan, so good buying always sends the price sharply higher, explained an analyst. Merchant bank Sopaf gained L101 to L3,231 as the company

began to benefit from Milan presentations it recently held for international investors. AMSTERDAM also traded quietly, with shares rising in late business on Wall Street's were regarded as not too ghastly given the abook FFrshn deficit seen in Angust.

The CAC General index comed 1.5 leaves at 2005 and 1.5 l

Aircraft manufacturer Fok-ker rebounded from recent losses to gain Fl 1.70 to Fl 22.70 on news it is talking to US group Lockheed about setting up a production facility in the US for F-100 jets. Over 1m shares, or 10 per cent of Fok-ker's capital, changed hands. Royal Dutch Petroleum fell Fl 1.70 to Fl 222.10 on worries that the Opec oil production

agreement might not stick. ZURICH offered little in the way of excitement, closing slightly higher after a quiet session. The Credit Suisse index added 3.3 to 505.8. Insurance stocks were again

sought as undervalued issues, with Zurich bearers adding SFT70 to SFT4,920 and Winterto SFr4,810. Nestlé bearers rose SFr50 to SFr6.950. STOCKHOLM recovered

from Monday's interest rate worriesin better volume of SKr364m and the Affarsvärlden General index rose 6.9 to 946.3. Trelleborg was the best per-former, rising SKr11 to SKr261 on higher copper prices and an

upward revision of analysts' earnings forecasts. BRUSSELS saw further sharp falls in Fabrique Nationale and Gechem as shares eased overall, leaving the cash market index down 28.8 at

5.341.9. FN dropped BFr220, or 29 per cent, to BFr540 after recover-ing from an even lower open-ing, and is now within the BFr300-BFr600 range for new shares issued under the recapi-talisation plan. Gechem dropped BFr66, or 10 per cent, to BFr586, well within the new issue range of BFr550-BFr550 issue range of BFr450-BFr750. MADRID was knocked by the increase in US prime rates and finished lower, with the

general index off 1.37 at 282.33. Activity was constrained by

concern over next month's gen-

Lethargy stifles Hong Kong's lively spell Interest rate fears have set in after last week's welcome rally, writes John Elliott

HONG KONG'S stock market and HK\$1.2bn on Friday. in the past two days appears to have settled back into its year-long state of lethargy following a significant rally last week which had raised hopes that a longer and hroader-based recovery might be under way.

Concern about international interest rates, oil prices and the value of the US dollar has proved too great for the mar-ket, which was led higher last week by property stocks after the colony's Shui On Centre was sold for an unexpectedly high price of HK\$2.5bn.

Even the emergence in the past two days of details of Hong Kong Telecommunica-tions' HK\$4bn share placement, plus news of minority shareholders' buy-outs by controlling interests in two prominent companies, have failed to keep the momentum going.

Last week the Hang Seng index, which hit its pre-crash peak of 3,949 in October last year, rose 3 per cent from 2,581 to 2,656. On Thursday it was at 2,666, its highest level since mid-July. Volume rocketed from HK\$675.3m on November 18 to HK\$1.6bn last Thursday

ASIA PACIFIC

over worth HKS777m. Yestersharp rise, to 2,632 although volumes fell further to

"I don't know what will break through this wall which is holding back the market," says Mr Chris Chong, research economist with James Capel. Things like Shut On do chip

tre last week, at a record price for the Wan Chai district of that the colony's property boom is leaving shares seri-ously undervalued. Shui On's share price was roughly half its net asset value and has since risen by over 40 per cent from HK\$1.15 to about HK\$1.60.

Japan and nearby Taiwan.

On Monday, however, the Hang Seng fell to 2,625 on turnday, after a weak start it ral-lied, on the back of Tokyo's

away, but not enough to move into a real rally."

The sale of the Shui On Cen-

Hong Kong, underlined the fact Local investors provided much of the impetus for last week's rally but international institutional buyers were also active, with demand from the UK and the Continent, the US, Hong Kong Hang Seng Index

Tumover (HK\$ bn)

November 1988 "International institutions

were also there changing over their portfolios switching from banking to property, without necessarily increasing their total holdings in Hong Kong," says Mr Richard Margolis, managing director of Smith New Court.

Other brokers say that new money was also coming in, especially from the UK, and that the international institutions were also switching out of utilities into property. This all showed they felt ready to move into a more aggressive section of the market.

Also boosting the market is what one broker calls a "privatisation kicker" - privatisa-tion is the word used in Hong Kong for a company buying out its minority shareholders. usually at prices significantly above the current depressed share price but well below the

Yesterday, Elders IXL; of Australia launched an offer to buy out the 25 per cent of Hung Keng-quoted Elders invest by Bond Corporation of Austra-lia, Cheung Kong Holdings and, on Monday, Sun Hung Kai

Properties.

These buy-out offers under-line the fact that shares are significantly under-priced. Brokers have names of about another 15 possible buy-out candidates, all of which can provide the market will some stimulus because of the prospect of short-term gains. The current news of the HK\$4.55 price at which the Hong Kong Telecommunications placement is to take place is expected to have a neutral effect on the market. However, it does remove uncertainty about the size of the what is the market's largest-

Now Hong Kong is waiting for either some domestic fillip or a resurgence of interna-tional confidence to provide the basis for a new rally. There is not much optimism, however, about anything happen-ing quickly.

I don't see any meaningful

ments which it does not discretes in prices from this already own. This followed level in the short-term, with similar moves in recent weeks interest rates up in the US, of price worries and a lack of confidence in the dollar," says Mr Richard Witts, managing director of Schroder Securities. I can't even see a catalyst hig enough to start the mequent rally that takes place before

Chailes h

Bargain-hunting helps Nikkei bounce back

BARGAIN-HUNTERS appeared pesterday after the substantial fall on Monday, triggering another round of widespread buying that lifted share prices, writes Michiyo Nakamoto in

Tokyo.

The Nikkei index recovered a large portion of the previous day's loss, closing up 334.98 at 29,318.30. Issues that rose outnumbered those that fell by 594

Volums was moderately lower, at 1.14bn shares compared with 1.28bn on Monday. The TOPIX index of all listed stocks advanced 23.65 to 2,269.15, and in London the ISE/Nikkel 50 index rose 6.12 to

What started out as bargainhunting in Tokyo turned into more concerted buying towards mid-day. The spreading confidence and the substantial rise in share prices so soon after a large fall seemed to many investors to confirm that the market is on an upward trend.

I could hardly believe it." said an analyst at Dalwa Securities, but knowing the mar-ket is going strong, what else could I do but follow its lead?"

nervousness, which prompted a rash of selling on Monday, had by yesterday already lost their immediacy. Oil prices fell overnight in spite of the sign-ing of an agreement on production quotas by member countries of Opec, and Japanese leaders voiced their opinion that even higher oil prices would not have a very negative effect on the economy. Fears of interest rate rises have so far been quelled by falling domestic rates, even though US prime rates did rise overnight. Investors resumed their search for low-priced issues

that have been lagging the market, especially those under Y500, and buying focused once again on shipping companies. Nippon Yusen rose Y29 to Y910, Japan Line increased Y21 to Y530 and Mitsul OSK Lines advanced Y15 to Y745. Pharmaceutics1s

actively sought, having fallen substantially from previous highs. Yamanouchi Pharmaceutical added Y100 to Y4,000 and Takeda Chemical rose Y70 to Y2.490.

A strengthening of the dollar against the yen attracted inter-

was lower at 96m shares from stocks. Poseidon closed 28 118.3m. machinery issues. There is a growing feeling that if the yen stave near the rate of Y121 to

stays near the rate of Y121 to the dollar, its appreciation is mainly discounted by efforts made by leading exporters. The signing by Japan and the US of a memorandum of understanding on the joint development of the next generation support fighter for Japan's defence force sparked some interest in defence-related issnes, primarily the heavy industries. Mitsubishi Heavy Industries, the prime contractor, gained Y50 to Y1,080 and was the most actively traded issue at \$5.8m shares. Kawasaki Heavy Industries, second most active stock at 94.3m shares and a subcon-

Y31 to Y945. Utilities, which had fallen on Monday, rebounded on lower interest rates. Tokyo Electric Power rose Y180 to Y6,850 and Tokyo Gas Y27 to Y807.

tractor on the project, added

Roundup

INTEREST rate worries depressed sentiment in the Asia Pacific markets yesterday, although the Nikkei's gains helped shares in Hong Kong and Singapore rise slightly. AUSTRALIA showed no hint

of a recovery as shares fell on interest rate concerns and news of lower-than-expected quarterly domestic economic growth. Sentiment was not iped by the decision of two banks to raise their prime lend-ing rate by half a percentage point to 16.5 per cent, The All Ordinaries index eased 8.1 to 1,472.0 on turnover of 95m shares worth A\$152m.

The mining sector was enlivened by Normandy Resources' takeover bid for gold and metals group Poseidon. Normandy In Osaka, share prices ended already owns just under 20 per higher with the OSE average cent of Possidon, and the bid

offer price of A\$2.25 a share while Normandy rose 5 cents to A\$1.25.

Cadbury Schweppes Austra-lia jumped 21 cents to A\$4.29 in its jumped 21 cents to A\$4.29 in response to the announcement that Cadhury Schweppel hi the UK had raised its offer for the shares it did not already own to A\$4.25 a share.

Bond Media fell 1 cent to 39 cents its lower price since the

cents, its lowest price since the shares were listed in 1987. Mr Alan Bond appeared on Monday before a regulatory tribu-nal investigating his fitness to hold a broadcasting licence. It has also been remoured that Mr Bond will sell Bond Media, a story subsequently denied by the financier. HONG KONG bounced back

from early interest rate-induced weakness to end strongly on the back of Tokyo's rise. The Hang Seng index gained 7.6 to 2,632,68 as shares worth HK\$660m changed hands.

Hongkong Land was the most actively traded stock, climbing 15 cents to HK\$9.05 on turnover of over 40% shares.

SINGAPORE edged higher in average trade as the big inves-tors stayed away on the lack of incentives to buy. The Straits Times industrial index rose 0.82 to 1,003.37 on turnover of 10m shares.

TAIWAN was hit by fears that the Opec production accord would raise domestic industrial costs, and shares closed lower in thin trade. The weighted index lost 131.77 to 7,083.16.

SOUTH AFRICA

A WEAKER financial rand helped gold stocks in Johan-nesburg close unchanged to alightly higher. Among stocks that saw some movement, Southyaal

gained R2 to R115 and Hartles geed 15 cents to R23.35.

Harbour Exchange Man. ...



High City Overhead Man.

High among the mysteries of Man's evolution is the case of 3 Harbour Exchange Man and High City Overhead

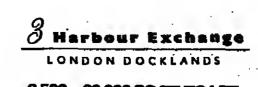
Both occupied offices in the late 1980's doing similar work, yet while the latter merely 'existed' the former apparently fourished.

Well, environment was certainly a factor. It's believed that at this period 3 Harbour Exchange Man moved from his expensive City origins to a spacious high specification office development in London's Docklands.

. Here, he was able to go about his work in pleasant surroundings consisting of spectacular river views, tandscaped walks, car parks and a variety of excollent shops, restaurants and sports facilities.

And, by making this filteen minute migration from the City, he made a net-saving of over £7 million in jour years in overheads - which improved his lot still further.

High City Overhead Man, constantly hounded by bigger and bigger rates and rents, was eventually forced... to follow in 3 Harbour Exchange Man's footsteps. But, for many, the delay caused unnecessary suffering, and for 🚽



8,500 - 60,000 SQ FT TO LET

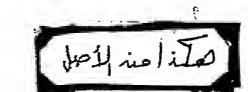
YOU'D BE MAD TO IGNORE IT

opened 1.6 lower at 3905 and sentiment. At the close the the OMF 50 index was of 0.62 CBS all-share index was 0.5 FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co., and County NatWest/Wood Mackenzie in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS		MONDA	Y NOVEMBEI	28 1988		FRIDA	NOVEMBER	25 1988	200	XLLAR IND	EX
Figures in parentheses show number of stocks per grouping	US Dollar Index	Day's Change %	Pound Sterling Index	Local Corrency Index	Gross Oiv. Yield	US Dollar Index	Pound Sterling Index	Local Currency Index	1968 High	1988 Low	Year ago (approx
Australia (91) Austria (17) Selgium (63) Senda (125) Denmark (39) Finland (26) France (130) West Germany (102) Hong Kong (46) Teland (18) Lapan (456) Mexico (138) Mexico (138) Mexico (138) Mew Zealand (25) Mexico (138) Mew Zealand (25) Mew Zeal	110.20 85.98 108.46 131.11 84.59 186.00 140.06 182.24 109.04 70.34 126.64 119.96 126.65	8 141999449771444119297711885	118.75 79.04 107.78 97.21 122.91 108.38 88.94 69.39 87.54 105.81 147.08 88.00 56.77 102.20 102.21 122.77 107.95 64.07 110.54	111.95 88.30 120.37 103.92 138.57 1102.33 77.46 108.73 119.72 811.46 144.53 455.68 97.24 57.08 111.85 107.57 96.30 131.03 119.55 71.38 1105.44	4.59 2.44 4.20 2.16 2.16 2.41 4.16 2.49 2.49 2.77 1.12 5.97 2.59 2.78 2.38 4.72 2.38 4.72	149.87 99.05 135.83 152.99 134.60 111.72 87.75 109.19 133.43 86.36 142.07 180.19 110.27 71.91 125.71 125.71 135.72 80.82 138.58 108.92	120.50 79.643 79.15 123.02 89.83 70.57 87.72 89.83 70.57 87.72 89.83 104.88 104.88 105	114.21 88.34 120.68 104.25 137.90 115.54 102.74 78.24 109.44 120.79 82.17 145.87 145.85 450.57 97.34 58.08 111.18 108.28 94.76 131.23 120.16 71.95 111.42 108.92	152 31 100.00 139.89 128.91 153.98 139.53 112.05 88.21 111.86 144.25 86.73 190.75 154.17 182.24 111.00 84.05 132.23 139.07 164.47 137.43 86.75 141.55	91.16 83.72 99.14 107.06 111.42 106.78 72.77 67.78 84.90 104.60 62.99 133.61 107.83 90.07 95.23 64.42 98.55 97.99 98.26 130.73 120.66 99.19	102.01 94.72 101.19 102.89 113.95 85.55 75.77 83.08 100.05 81.38 139.27 102.54 115.44 92.63 81.35 101.60 94.91 145.90 124.38 94.51 80.70 117.72
USA (577)	114.00 181.27 154.35 110.02 99.54 124.66 152.91 136.18 136.29 112.28	1.4 124 12.1 12.4 12.5 12.5 12.5 12.5 12.5 12.5 12.5 12.5	92,00 146,30 124,57 88,79 80,34 100,62 123,41 109,91 110,00 90,62	98.11 140.84 123.87 109.12 90.56 105.09 123.07 119.27 118.58 105.22	3.78 0.74 1.65 3.70 3.00 4.61 1.73 2.08 2.31 3.78	115.61 185.69 157.64 109.55 101.14 126.51 156.05 137.96 138.08 112.65	92.95 149.30 126.75 88.08 81.32 101.72 125.47 110.92 111.01 90.57	98.80 142.99 125.45 108.65 91.14 106.68 124.58 120.12 119.45 105.29	116.61 185.75 158.08 116.07 101.29 128.27 156.39 138.28 138.61 115.54	77.01 130.81 120.36 99.78 80.27 87.51 120.26 111.77 113.26 100.00	97.79 135.73 120.58 94.48 85.42 92.92 120.23 109.35 109.85 96.10

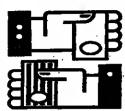
Base values: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.037 (US 5) Index), 90.791 (Pound Sterling) and 94.94 (Local). Copyright, The Financial Times Limited, Goldman, Sachs & Co., and County NatWest Securities Limited. 1987 Latest prices were unavailable for this edition.



FINANCIAL TIMES WEDNESDAY NOVEMBER 30 1988

SECTION III

FINANCIAL TIMES



DGL 30 1088

in Elliott

A TOWN THE STATE OF

September 1

tials and pla

SOUTH AFRICA

WE SEE BARRES

THE PERSON AND THE PERSON AND P.

Marie and Personal

Cares steckt fatt

to me a children

12 : Car 1. (mare)

4" - 150

The rush on both sides of the Atlantic to fund buy-outs and buy-ins threatens the industry's claim to be

the backer of new enterprise.

Alternatives to the slog of start-up and early-stage investments

appear all too numerous, writes

Charles Batchelor

Diversions in the maze

capital industry in Europe and the US has had a good year. Both fund-raising activity and investments have remained at high levels despite early fears that last October's market

that last October's market crash would dampen activity. In fact unquoted investments have become more attractive to institutions shaken by the volatility of their quoted investments. However, the headlong rush hy many venture capital groups on both sides of the Atlantic into funding buyouts and huy-ins threatens the industry's claim to be the

industry's claim to be the backer of new enterprise.

In Britain and the US, the two most developed venture capital markets, the earnings of the venture funds are coming under pressure. In the US the volume of money and the number of venture funds some 650 currently managa about \$30bn - mean the free-

wheeling early days are over when his profits were possible. On both sides of the Atlantic the institutions which put their money into venture capital funds are starting to ques-tion the venture capitalists right to high fees. In the US investors are asking if venture funds which frequently raise new money should be able to command their usual fees on

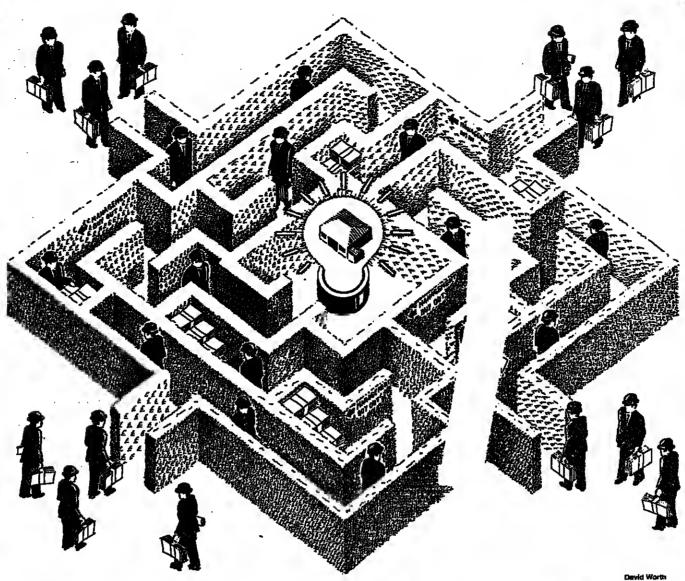
all of the money raised. They want discounts for volume. In the UK institutions are pressing for higher performance hurdles - tied to the FT All-Share Index or other measures - which venture fund managers must jump before they can take up their usual equity options. Institutions are starting to ask whether the passive venture whether the passive venture capital group putting together relatively safe, late-stage deals, deserves to earn the same fees — usually 2.5 per cent with an option on a 20 per cent share stake — as the "hands-on" venture capitalist backing riskier and stages of the capitalist backing riskier

early-stage deals.

It is hard to find venture capitalists who will admit that the number of deals to come their way is on the decline. But many in the industry are concerned that a shortage of good managers able to run an early-stage company is leading to a

fall in opportunities. In Britain venture capitalists complain of the shortage of good quality managers who are prepared to set up new compa-nies compared with what they see as abundance of such peo-

ple in the US. Electra Investment Trust, an early specialist in unquoted companies, recently recruited a senior manager from one of the



Venture Capital

organisations, Advent, a high technology fund, prefers to make use of outside consultants because it believes they will have access to a greater spread of contacts. Even so, the Advent team spends half its time looking for qualified executives, Mr David Cooksey, chairman, estimates.

What is now happening is an increasing segmentation between funds and also within funds. Funds which have the financial skills to put together a £500m buy-out are unlikely to leading executive search have the industrial knowledge

needed to back a small soft-

ware company.

"Management buy-onts and start-ups require different tempos," says Mr Ronald Cohen, chairman of Alan Patricof Associates. To avoid swamping the identity of its arrive charge team Patricof has early stage team Patricof has created a separate group of executives to focus on huy-ins in the UK and France. Patricof is currently raising an Ecu250m (£165m) fund to do deals expected to average

A few UK funds have distin-

guished themselves by the abil-ity to back high-technology deals. Funds without high-tech expertise sometimes refer high-tech propositions to these funds with the aim of coming

in as a co-investor if the spe-cialist gives the go-ahead. Another specialist group within the industry is the fund which provides seed capital – the very small amounts needed to convert an idea into a husi-ness. The seed capital sector is still "desperately embryonic" in Britain, says Mr Philip Per-cival, managing director of JMI

Seed Capital, comprising just half a dozen funds with about £15m under management. But he is beartened by the interest shown by one non-seed venture fund which is thinking of cofinancing deals which JMI

thinks are worth backing.

Many venture capitalists
believe that the funds which
survive will he those which can establish a strong profile for themselves among the ranks of the also-rans. The successful venture capital groups of the 1990s will be those which not only have the finance but CONTENTS

which, more importantly, can originate deals and devise creative solutions to their clients' problems. The "me too" organisations which come in on a deal which has haen researched and arranged hy others will have a harder time. The venture capitalists' response to the growing competition for good deals has been to devote more effort and money to marketing their services — to entrepreneurs, in

money to marketing their services — to entrepreneurs, investors and managers in large corporations who might be persuaded to come out to join a start-up or a bny-in. The days when venture capitalists could simply let a grateful business community beat a path to their door and then reject 49 out of every 50 proposals are coming to an end.

als are coming to an end.

Venture organisations such as Rothschild Ventures and ECI Ventures say they have been combing their lists of contacts and of existing clients to see where extra business could be generated. Individual mem-bers of the ECI team have lists pers of the ECI team nave lists of accountants, lawyers and headhunters whom they visit on a regular basis in the hope

on a regular basis in the hope of generating new leads.

Venture capitalists are also giving greater thought to polishing their image. Midland Montagu Ventures has promoted itself as a hacker of huy-ins and has coined The Venture Catalysts as its slo-Venture Catalysts as its slogan. 3i has hit on Growth Capi-tal as a campaign title. While venture capital contin-

While venture capital continues to attract large sums, the direction of some of these flows is now changing. Some of the independent funds, which raise all their money from the market and which have no friendly financial hacker, are worried by the increasing power of the venture capital subsidiaries of the merchant banks. the merchant banks.

The hanks, which manage large amounts of discretionary pension fund money, are char-nelling all of their venture cap-ital investments through their own venture capital subsid-iaries. This means less is available for the independents which complain that the banks may be neglecting their duty to ohtain the best deal for their

pension fund clients. Overall, however, amount of money available is expected to hold up as the industry catches its hreath after two years of hectic growth. Independent funds

mine months of 1988 compared with 1600m in the same period with from in the same period lest rear But Ms Susan Lloyd, the But Ms Susan Lloyd, the Economics, a specialist reach group, estimates money will take the year's total to 1705m, nearer the 1980 were 1550m, Ms Lloyd estimates. If levels are mainmonths they will equal the 21,03bn invested in the whole of 1987.

In Europe as a whole the yenture capital industry
reached an important milemore linance was raised in
Burope last year than in the
US, according to the first time US, according to the European Venture Capital Association. In Venture Capital Association. In Europe a total of Ecua.9bn (2.6m) was raised compared with Ecua.8bn in the US. Howaver, the longer tradition of venture capital in the US meant that the pool of money invested in available for investment in the US meant in the US meant that the pool of money invested in the US meant in the US meant that the pool of money in the US meant in the US meant that the pool of money in the US meant the US meant the US meant that the pool of money in the US meant the US m ment in the US remained greater - at Ecure 2hn against Eculish in Europe.

Britain continues to dominate the European venture capital scene with a Ecu7.1bn (£4.7m) pool of funds, followed, at some distance, by France with Ecu1.9hn. However, growth rates in France and several other Continental several other Continental countries are faster than the UK. The attraction of the Con-tinent, where less feroclous competition means deals can be more attractively priced, is reflected in the sharp increase in UK venture funds which are establishing a presence there. Buyouts, buy-ins, Continen-tal Europe – the alternatives

to the unglamorous slog involved in start-up and early-stage investments - appear all too numerous. But not everyone is convinced that venture capital in its original form is dead. Buy-outs may have proved more profitable recently but with the stock markets past their bull stage and with start up profits yet to come through investors may rediscover early-stage invest-

"This industry moves in cycles. Early-stage deals will become popular again," sea-soned venture capitalists main-tain. Entrepreneurs must hope

ITC MANAGEMENT BUY-OUT £70,000,000 BOUGHT DEAL

MIDLAND MONTAGU VENTURES

Midland Montagu Ventures has backed the management team of ITC Entertainment Group Limited in its £70,000,000 management buy-out from the Bond Corporation.

ITC is one of the world's leading producers and distributors of television and theatrical movies. Its extensive library of some 2,000 titles includes its own productions such as "Sophie's Choice" and "On Golden Pond".

Midland Montagu Ventures has underwritten the whole transaction of £70,000,000 which was deal of its kind.

By this route both the speed of response and the degree of confidentiality were able to exceed by far that which would otherwise have been possible.

The investment has been structured as an equity deal with no acquisition debt. This has provided ITC with a very firm foundation for its balance sheet which will enable the company to expand rapidly over the coming years and, in particular, to exploit the emerging opportunity for television products in Europe.

entirely in equity. This makes it the largest bought The investment will be sold down in the UK, the US and Continental Europe.

Midland Montagu Ventures Limited

10 Lower Thames Street London EC3R 6AE Telephone 01-260 9911

A member of IMRO



The Venture Catalysts

An initiative tarnished by a tax dodge image

cies have raised £1016m, com-

pared with only £4.4m for other

fers in the way in which money is raised. Earlier, the scheme was dominated by pro-

spectus issues, where a com-

pany sold its shares through an application form in a pro-

spectus which set out all the key points of the scheme.

the public and usually spon-sored by a venture capital com-

pany. Sponsorship was lucra-tive business, with the sponsor

often taking 10 per cent of the

18.8 4.1

1987

19.5

These issues were open to

The new style BES also dif-

THIS YEAR the nature of the Business Expansion School has altered radically R is a second control of the secon tive means of raising capital for new businesses in other little more than a device raise money for reside Indeed, the scheme seems a properties to be let as an

long way from its original It seems unlikely that objective of providing a source of equity for start-up busi-nesses which might otherwise have found it impossible to raise money, while encourag-ing wider share ownership was what Sir Geoffier is the then Chancellor of the Exchequer, had in mind in he announced the introducen of the BES in 1983. mong the public. Until April last year, a vari-

The scheme has on been criticised as simply a device to ena e the rich to get richer

ALAN SAYS CITICORP ACTED VERY QUICKY, ASAG MODEN INSTRUMENTS LIKE MEZZAMANE FRANCE (MICHOLOGIE) BANKS WEST JUST TALK-ING ABOUT THE PERSONAL RELATIONSHIP WAS WITHIN WAS PUTTING SUBSTITUTED ON THE LIKE AND CITICORP OFFSICE NEIDTAL INTEGETTY;

ety of entrepreneurial busi-

nesses, ranging from scallop farming to cartoon animation,

found BES a popular way to

raise money.
In the first four years of the

scheme, 2502.7m was invested in 883 companies. In the 1987/88

tax year, a further £180m went into the scheme from more than 18,000 individuals, many

of whom were QCs, according to research conducted by the

Labour Party.
Ironically, the issues which have found it easiest to raise

It fell to his successor in Nigel Lawson to change in this year's budget by liming the amount which coolings the amount which could be raised in any one year per the scheme to £500,000. As he same time, tax relief availal undar the scheme as extended to assured tenances which were allowed to raising

Mr Lawson had been en Mr Lawson nan been enec-ted to make some charactout the £500,000 limit on host businesses took observat by

By extending tax relies the scheme to assured tem-cies, BES has become an acc tive vehicle for government housing policy, but it is des-tionable whether it is an accpopular schemes were secured contractors, sheltered housing developments and hotels, with private hospitals, gardening centres and catering in the second division.

To encourage investment in high risk businesses too small to appeal to other venture capital funds, the government offered investors an attractive tax break.

Today this is a less appealing incentive now that the top rate of income tax has been reduced to 40 per cent.

The scheme has often been criticised as simply a device to enable the rich to get richer. Investors are able to claim relief against taxable income at their top rates of personal income tax in respect of the amount invested (up to £40,000) in the year in which the investment is made.

Providing the shares are not sold for at least five years, they are exempt from capital gains tax. The gearing effect of such schemes makes it most attractive to higher rate taxpayers.

The combination of the tax break, and the asset-based nature of assured tenancy schemes have ensured their popularity.

funds — asset-backed schemes — are the least risky although the scheme was set up specifi-cally to help high risk busi-Assured tenancies will be introduced in the forthcoming Housing Act (expected early next year), which removes many of the previous restric-

UK Investment by financing stage % of amount invested 1984 12.9 6.4 7.3 Other early stage 10.3 9.5 Expansion Buy-out/buy-in/acq Secondary purchase 5.1 0.1

> UK investment by financing stage % of financings

> > 13.0

tions of the Rent Act by allowing landlords to set a market rent with a built in mechanism for rent reviews, and by mak-ing it easier for them to regain session of vacant proper-

The most popular schemes with investors are those in the North and Midlands, Landlords are trying to recruit short stay tenants such as nurses, students and military personnel, largely because assured ten-ants have possession for life so long as they are paying a mar-

Under BES, assured tenan-

Start-up

Other

Other early stage Expansion

Buy-out/buy-in/acc

Secondary purcha

money raised in addition to various bonuses.

However, there is little point in sponsors promoting issues raising less than £500,000 (for which smaller companies can rarely afford the sponsors' fees). Of the £106m raised this tax year, £60.5m has come from prospectus issues - much

lower than last year.

Sponsors have turned their attention elsewhere. Johnson Fry, for instance, has adapted the idea of a fund and set up a scheme to invest in regional property developments. Mean-while, BES funds have enjoyed an easier ride than before, although a number failed to raise the minimum subscrip-

Historically, funds have proved unpopular, partly because they were perceived as expensive and partly because the majority have been poor communicators and performers. Investors want greater control over the companies

But have the changes in BES been for the best? Sponsor Mr Charles Fry believes the changes to the scheme were imderstandable.

"The government attitude was not unreasonable — BES had had it good, but while RES had carved a niche, the venture capital industry had expanded. So it was no longer

reasonable to give money away from the taxpayer. The problem is that people don't like investing in companies asking for less than £500,000 because they just can't get the manage-ment."

Mr John Spiers of Best Investment takes a stronger line. He argues that smaller companies have found it impossible to raise money

too early to say whether good companies are finding it impos

Earlier this month, Mr Norman Lamont, Financial Secretary to the Treasury, confirmed the government's commitment to assured tenancy schemes up until 1993 when the present relief expires. The relatively secure nature

BES seems a long way from its original aim of providing equity for start-up businesses

under the new kind of scheme "There is no indication that the money is available from venture capital," be says. "The industry is not interested in initially low return projects or anything under £3-£4m There is no doubt that companies are finding it harder to

of such tenancy schemes will ensure that money goes into safer, property-backed compa-nies rather than the individual, more entrepreneurial ventures the scheme was designed to help. The scheme's overwhelming image remains that of a tax dodge.

THIRD MARKET

Little cheer for tier hit by initial design flaws

approaches its second anniversary in January with few of the expectations of its founders ful-filled.

The rationale behind the market, when it was established in 1987, was to provide a forum for those companies which were too small, or too new, to join either the Unlisted Securities Market or the main

Rules were relaxed for Third Market entrants. They were required only to produce a one-year trading record, against three years on the USM and five on the main market, and there was no minimum set for the amount of their equity that had to be in public hands.

There seemed to be a niche for companies not covered by either of the two Stock Exchange tiers, judging by the number of companies which had joined the over-the-counter

However, by the mid-1980s the OTC market had developed

The tier has falled to attract start-ups or provide a forum for raising capital

a reputation for poor investor protection standards and lowquality companies. The idea behind the Third Market was to create a better standard of protection for the investor, while lowering the costs of flotation. It was hoped that many companies would switch from the OTC to the new tier.

Early estimates were that 120 companies would join the Third Market in its first year. In fact, by October 1988, the total number of entrants was just 51, of which four had since graduated to the USM.

Nor has the market been successful in attracting startups (just three) or in providing a forum for raising capital (23 out of the 51 new issues were introductions).

However, to be fair to the Third Market, tha USM was also initially slow in attracting companies although it is now undoubtedly a success. Given that the Third Market's brief history has included the October 1987 equities crash, its record is not disastrous. What seems to have held the market back is a flaw in its

original design. In its efforts to make the market less regulated, the Stock Exchange decreed that a company'e sponsors would have to carry out most of the monitoring work. It sounds good in theory, but in practice it is rather an onerous responsibility. No sponsor wants to be the first to have a failure, with all the attendant

bad publicity in the media and among investors. Thus, sponsors have been very cantious in choosing which companies to support and that has inevitably meant

that some of the young, adventurous businesses have failed to gain access to the market. The work carried out by sponsors has also increased the costs of a Third Market issue. In fact, a recent study by accountants Paat Marwick. McLintock revealed that the costs of coming to the Third Market were not significantly lower than those on the USM

higher.
This is despite the fact that the Stock Exchange waived initial and annual fees for Third

and in terms of percentage of capital raised, were actually

tising requirements at a very As a result, many venture

capitalists may have decided that they might as well wait the three years before a com-pany qualifies for the USM rather than go through the expense of joining the Stock Exchange's lowest tier. Three years is not, after all, a long gestation period for a venture

capital investment. The three start-up companies that have joined the market have not been trading long enough to be fairly judged. Medirace is still reporting prog-ress in developing a treatment for cancer and AIDS; ChemEx international, a waste-testing aboratory oustness nad to report first-year revenues "substantially lower than expected"; and Far East Resources has not yet reported startling success in its Philip

drilling programme. Start-up companies may form a steady trickle of entrants onto the third tier but a flood of companies were expected to arrive in the form of transferring OTC companies and Businese Expansion

Scheme groups.

However, so far only 11 OTC companies have joined the Third Market. The main reason seems to be that few pass the scrutiny of potential sponsors, who are unwilling to support a company making pre-tax profits of less than £100,000 per annum. The complex share structures often found in OTC

companies also deter sponsors and institutional investors. **Business Expansion Scheme** companies have also been slow to come to the market. In part, this is a question of timing. The BES was established in 1983 which means that only now are companies starting to finish the five-year qualifying

> Few of the Third Market's original expectations have been fulfilled

period which will allow inves tors to sell their shares and retain their tax relief. BES rules restrict where stocks can be traded for the first three years after creation. If companies join the USM or the main market, they cease to qualify for the scheme. That restriction does not apply to the Third Market; only four-

BES companies have so far joined that category. The main reason is probably that, whether or not BES com-panies join the market, inves-tors still cannot sell their shares and keep their tox relief until the five-year period is over. Liquidity in such compa-nies will inevitably be

In fact, liquidity remains a fundamental problem for the whole tier. In December last year, the number of bargains recorded on the market was just 868, totalling £2.9m. Although business has improved since then, the average daily number of bargains is still about 170, compared with

9,000 on the USM.
Such totals will not encour age either market makers or investors to take an interest in the tier. The Third Market needs something to happen to help it out of a vicious cycle of too few investors, too few companies and too few adventur-



From the a quality proposition call dyus. We'll been held the better business hen become entrepreneurs since loss. SO WERE NOT WET ANY TOWN DUCK OR HAZRY, ASK RICHARD JOHN OF ALAN!

CITICORP OVENTURE CAPITAL

PO BOX 199, COTTONS CENTRE, HAYS LANE, LONDON SE1 2QT TEL: 01 234 5678 Madrid Frankfurt • Milan `

Citicorp Venture Capital Limited is a member of The Securities Association

STRUCTURES STOL FRANCIA PRODUCE TO ACCOMPANY'S PARTICULAR CRELINS SINCES

A CONTROLLED OF THE PARTY OF TH

Service Servic

quality of the people and insti-tutions involved, but the fact that they will be joining a growing network of similarly powerful emergent sources of venture capital outside Lon-Only four years ago, there were very few outside 3i's network of 27 regional offices. London and the South-East had most of the funds and -since good local knowledge is

for the North's players MR PETER FOLKMAN was usually needed to spot a good one of 3l's potential high fivers. investment — most of the was the highly successful deals. Few London managers one of 3i's potential high fiyers. He was the highly successful director of the large Manches-ter regional office and looked ventured far from home.

£15m to invest straight eway

and he expects to have another £5m on tap soon.

One of the fund's sponsors will be Schroder Ventures — London-based but with international operations in Italy, West Germany, the US, Canada and

Japan. The other will be Rickitt

Mitchell, the Manchester investment house which can

the corporate finance boutique, and which came to national

prominence when it acted for

the Land Rover management

in its abortive attempt to buy

Mr Folkman is, however, very frustrated. "There are a

lot of good deals about at the moment," he says. "If we had been up and running by now

we could have done our first year's investments in the first

He expects to be in full swing before the end of the

year but in the meantime he is

in the slow but proper process of satisfying the requirements of the Financial Services Act.

fellow fund manager - he is

currently on the look-out - will

he someone with experience of running a major multi-million

international business. It says

something about the way things are developing that

there are two eager applicants

on the short-list.
What is important about the

development is not just the

Mr Folkman's prospective

three months."

Lazards' regional funds — now run by the Development set for eventual promotion to a more senior job in London. Capital Group – were one exception; County NatWest also began to beef up its operations in Birmingham, Leeds, Manchester and Edin-Six weeks ago he quit. Today he is completing the formation of the North of England Ven-ture Fund and will run it with a former senior manager from industry. It will have at least

burgh. The enterprise boards or similar funds set up by the now-abolished metropolitan county councils of Greater

group of BWD Rensburg and is likely to heve much larger

sums to play with.
At the same time, Yorkshire Enterprise has sprung from the old West Yorkshire Enterprise Board with several big, suc-cessful investments behind it and continues to do well. The other enterprise boards, and the South Yorkshire Superannuation Fund, are also in the

Companies by geographical location (Dec 1987)								
	Companies	%	Pool(£m)	%				
London(City)	. 44	41.1	2,068.0	51.6				
London(West End)	25	23.4	1.261.8	a1.5				
London area	· 11	10.3	106.5	2.7				
8irmingh a m	5	4.7	64.9	1.6				
Scotland	. 10	a.3	318.0	7.9				
Others	12 .	11.2	187.6	4.7				
Total	107	100.0	4,006.8	100.0				
		Source	UK Venture Capit	d Journal				

ian Hamilton Fazey on moves to correct UK regional imbalance

Local knowledge an asset

the West Mid Yorkshire and Merseyside were winning their spurs but, generally, it was loan capital from the banks and 3i that most smaller businesses expected to use to finance expansion.

In 1984, 83 per cent of 3i's total business was in loans with the rest in equity funding. This year the equity proportion will rise to 28 per cent, much of it in the regions, where 3i remains the major source of funds outside the clearing

The proportion is rising in the face of pressure from two sources — demand from clients who want to expand with sensible gearing and competition from venture capitalists like Mr Folkman.

The major players in the north also include Mr Richard Marshall, whose Manchestered March Investment Fund is backed by £20m from British

Gas's pension managers.
Then there is Mr Michael Denny of Northern Investors in Newcastle, which has done well enough with its first £5m to be launching a new £15m fund this year for investment not only in the north but Scot-

Another emergent figure is that of Mr Barry Anysz, who has been very successful in

s by	geograph	ical loca	tion (Dec 1	987)
	Companies	%	Pool(£m)	%
	44	41.1	2,068.0	51.6
d) (25	23.4	1,261.8	81.5
-•	· 11	10.3	106.5	2.7
	5	4.7	64.9	1.6
	10	8.3	318.0	7.9
	12 .	11.2	187.6	4.7
	107	100.0	4,006.8	100.0
		Source	: UK Venture Capit	al Journal
lands	South	ioh crostic	n buginage es	et un in

the steel closure areas - has also now made equity invest-ments the main plank of its financing programme and Mr Roger Thackery, the chief exec-ntive, says he is pleased with

The trend is also apparent in County NatWest'a venture capital operations. In 1986 it put 225m into 48 deals - all but £3m into 41 deals in London. Last year, there were 62 deals totalling £55m, but Bir-mingham, Leeds and Manchester had increased their share of this to £14m spread between 17

The figures for the first 10 months of this year show the trend continuing. The Mid-lands and North have completed 20 deals totalling £19m compared with London's 37,

What all this means is that a

truly regional infrastructure of venture capital sources is now becoming firmly established outside London. The implications are important for regional development since it means that the companies with the best prospects

for growth can get money from local backers with local know-

ledge who can also give quick running a series of business
expansion scheme funds in who put money into venture accelerating change.

capital funds are beginning to

recognise this.
"We have got more, better quality, convertible inquiries from institutions than we can handle. Local authority pension funds are now beginning to show much more interest in giving us money to invest," says Mr Denny of Northern

Mr Charles Richardson, Mr Folkman's successor at 3i in Manchester, eays that the development of this new regional infrastructure is hanging things dramatically. "We are not seeing much competition from London

funds these days. It's coming from the local funds instead, "These regional funds are good news for the regional

offices of 3i because they mean that there is now a means to syndicate big deals locally. It means not having to go to Lon-don and therefore faster deciall the time.

Statistical evidence reflect the changes: 3i'a investments outside the South East nearly trebled between 1984 and 1989 compared with a rise of 122 per cent in and around London. This is moving towards a con-siderably better balance -£232m invested in the South East and £218m in the other

Mr Folkman believes that the balance generally will shift infrastructure of locally-managed, independent funds

One reason why will be cost. 3i charges clients 2 per cent of the value of a deal for arrang-ing it. Mr Folkman and his colleagues will be paid by the North of England Venture Fund's backers, not the clients. This is going to make the fund very much more attractive to businesses looking for finance. At the same time, the hands-on approach be will dopt towards investments will help maximise returns, as Mr Denny has already proved at Northern Investors. Remote London fund managers - or high volume operators like 3i

cannot afford the time. ecisions.

The regional venture capital scene looks set for a year of Management buy-outs/buy-ins

A trend too good to last

THE VENTURE capital industry faces a paradox. It is now making its highest returns on some of its least risky investments. Management buy-outs have become more profitable than start-ups or early stage investments despite the lower level of risk involved in the buy-out deal. This rever-sal of the normal rules of investment worries many ven-

"It is an economic nonsense and it cannot last," says Mr Tony Lorenz, managing director of ECI Ventures. But the fact is that in the UK buy-outs have produced the highest returns. The young technology-based company (the traditional target for venture funding) is always scrabbling to remain state-of-the-art because the market in which it oper-ates lacks the scale of the US

The typical management buy-out company, in contrast, is usually a well-established business in a mature industry producing a comfortable and regular cash flow. Provided it is not loaded down with too much debt its management should be capable of continuing to run a business they already know well.

Is it any wonder then that many venture capital groups now devote the bulk of their funds to buy-outs at the expense of start-ups and early stage financing, where the pay-off is uncertain and the time required for the invest-

ment to mature much longer? Start-ups may take seven to 10 years to bring to market compared with many buy-outs which have been floated in less than two years. From just 13 buy-outs total-

ling a few million pounds in 1977 the total rose to 300 deals worth \$2.82bn in 1987. The stock market crash of October 1987 put a temporary halt to deal-making activity but busi-ness recovered and the first nine months of 1988 saw the completion of 210 deals total-ling £2.3bn, according to accountants Peat Marwick In Britain buy-outs and buy-

ins accounted for 55 per cent of all venture capital investments by value in 1987, according to the British Venture Capital Association, though they represented only 18 per cent of the number of deals completed. In 45 per cent of deals by value



and 21 per cent by number. in Europe as a whole buy-outs also increased their share of total venture fundings, accounting for 36 per cent of all investments by value in 1987 compared with 25 per cent in 1986, the European Venture Capital Association reported.

est rates. Some deals under preparation have been halted while buy-outs which have already been completed will probably take longer to achieve their budget targets. For e management team

planning e buy-out times have never been better. Record mounts of money are chasing The £715m buy-ont of MFI,

_	International Comparisons								
	Companies	Total(£bn)	Capital under managem per company(Em)						
_	627	16.1	25.7						
	107	4.0	37.4						
	71	11	15.5						

the furniture retailer, which was completed just before the stock market crash, remains the largest UK buy-out. But there are signs of a move up-scale with the prospect of a growing number of public com-pany buy-outs. Virgin Group is currently carrying out a £248m buy-out to take itself private after less than two years on the stock exchange.

The creation of e £200m First Britannia Fund by Drexel Burnham Lambert, the US junk bond specialist, and the arrival in London of GE Capi-tal, the finance arm of General Electric of the US, may have set the stage for a fresh round of hig buy-outs in Britain. The European buy-out scene

lacks the frenzy of the US, where new records were set last month with the \$20bn (£11.6bn) offer for RJR Nabisco, the foods group, from Kohlberg Kravis Roberts, the Wall Street ovestment house.
One factor which is

restraining a resumption of large-scale buy-outs in Britain is the recent increase in inter-

Source: UK Venture Capital Journal the good deals and if a buy-out proves impossible managers can often attempt the buy-in of another company.

When Si, Britain's largest venture cepitel group, announced recently that it was looking for 200 managers interested in staging a buy-in it received 700 replies.

This overhang of so much money has placed managers in the enviable position of being able to negotiate very favourable terms for themselves. They are often able to acquire large initial equity stakes in the business with "retchet" arrangements which allow them to increase their holding still further if targets are met.

Some venture capitalists grumble that the pendulum has swung so far towards managements that some deals are simply not worth doing. Too little is left over for the outside investors, they complain.

ers is that competition for the good deals will force a relax-ation of the normally conser-

wative financing ratios on which UK buy-outs are based. Buy-outs in Britain have typically carried three or four times as much debt as equity compared with the US where the ratio is usually 9:1 or 10:1. US buy-outs have depended assets to bring borrowings down to more manageable levdown to more manageable levels. In Britain and the rest of Europe bought-out companies are expected to pay off debts without breaking themselves

in in the process.

Buy-outs in Britain bave been fairly safe investments. 3i reckons one in 10 of the deals it backs will fail while a further one in 10 will need refi-nancing or restructuring in some way. This compares with a failure rate for start-ups of

a saudre rate for some in three.

Even in the US, where deals are more vulnerable to rises in interest rates, buy-outs have rate in the salarizate risk-free. But been relatively risk-free. But the problems of Revco, a large drugstore chain which filed for protection from its creditors last July , have given a warning of what can go wrong. Revco fell victim to the ambi-

tious performance targets on which its financing was based. One result of the growing competition between investors for the good deal has been the arrival of the buy-in. They are closer to start-ups than to buyouts in the degree of risk involved and require far closer monitoring by the deal-maker, but they can also give higher

returns to the investor.

Another has been the move by many UK-based venture capital organisations into Con-tinental Europe. Buy-outs have taken off in France as a means of seruring the future of fami-ly-owned businesses set up after the Second World War. Similar potential for buy-outs is seen in Spain and Italy.

The bny-out has established itself internationally as an effective means of revitalising tired businesses. However, its success has prompted some venture capitalists to ask whether the venture capital industry is not neglecting lts original role of belping young companies to get started. If today's start-ups cannot get backing there may be a shortage of companies around tomorrow suitable for a buy-

Charles Batchelor



Although 1974 was the year of the three dayweek, at County NatWest Ventures we were working flat out on a brand new

In August, we reaped the fruits of our labours when we supported our first management buy-out team.

As the new decade arrived, our management buy-out activity was rapidly gathering pace.

By the end of the year we had tucked the 25th under our belt.

It was a reflection of the expertise built up over the previous six years.

1985 saw us steaming towards new horizons when we led the £19 million buy-out privatisation of Vosper Thornycroft, the warship builder.

Such was the success of this buy-out that less than three years later the company was launched on the Stock Exchange.

Among the 23 management buy-outs we backed during 1986 were two from Cadbury Schweppes - Swallowfield and Jeyes Group.

1927

The stock market crash didnot stop our progress.

In October, we completed our 100th management buy-out with Venture Plant, a leading plant hire company.

On Christmas Eve, completion of the £17.5 million buy-out of Aynsley China from the Waterford Group brought our tally of buy-outs and buy-ins that year to 25.

In May, Southnews became our first management buy-in to obtain a USM quotation, 18 months after the original transaction.

Our success, however, isn't limited to management buy-outs and buy-ins. We are one of the leading providers of all types of venture capital whether it be for expansion capital, for start-ups or for existing share purchases. We can offer our in-depth expertise through our London head office and regional offices in Birmingham, Edinburgh, Leeds and Manchester.

Our new brochure paints the full picture. In describing the way we have supported management teams in the past, it demonstrates why our experience should guide your future.



County NatWest Ventures Limited, Drapers Gardens, 12 Throgmorton Avenue, London EC2P 2ES. Tel: 01-382 1000.

For a copy of our new broch are call Helen Visser on $e_{\rm XICOS}ioo~8465$.

& The Nat West Investment Bank Group

Contrasting international views over the value of corporate venturing

An idea with little support in UK

IN THEORY, corporate venturing should be a splendid idea. Very broadly, it refers to the concept of practical co-operation between a small company and a much larger one. The small company, it is

suggested, can provide the key technological advantage. Its size should enable it to respond quickly and freely to market-ing opportunities. And it should benefit from highly-mo-tiveted management/research talent, nnfsttered by the bureaucratic shackles of the

large company ethos.
The larger partner possesses both financial muscle and cred-ibility. By lending its name and its finances to its smaller partner, it can speed up the progress achieved by the small company substantially. In the-ory then, both sides should

Yet the very notion of corporate venturing appears — to date — to have fallen on somewhat deaf ears in the UK. According to Ventures Eco-nomics, the number of ven-ture-backed UK companies with a corporate co-investor totalled only 40 in 1987. However, even this was a big improvement on the one recorded case in 1983, the threefor 1984 and the seven in 1985.

This year there is unlikely to be any substantial progress, in contrast to the US experience. As Ms Sue Lloyd at Venture Economics remarks: "The sad thing about the UK is that it has a very good venture capital industry, but the role of the corporate involvement is min-

Quite why the UK is so reluctant to embrace this idea s difficult to pin down. A 1986 Economic Development Office survey on corporate venturing - which involved 1,000 of the

HOW VENTURE capital funds value the businesses they back is becoming an important issue

for the industry and for the institutions which invest in it.

Putting a value on young, unquoted companies is a tricky business. One venture capital-ist discovered that an invest-

ment which he had written

down to just 25 per cent of its initial value appeared on a co-investor's books at the full

Agreeing on the valuation of

individual investments is only one problem. The overall value

of venture portfolios can fluc-tuate wildly depending on the timing of changes in the assessment of individual busi-

nesses. The lack of a liquid

market for unquoted securities

nations can be sudden and sav-

age. One venture fund

increased the value of one of its investments 29 times "over-

night" when the company was

But it is the inability of the

venture capital industry to

agree a set of common valua-

tion standards which is causing most concern. The spectac-

ular increases in the amounts

of money going into venture capital in recent years are

unlikely to continue if the

industry is unable to show its

and large companies - that

their money has been well

"It is difficult to raise capital in Britain," says Mr David

Few observers expect uniform valuation

standards to emerge

in the near future

Cooksey, chairman of Advent, which specialises in high-tech-

which specialises in high-technology investments. Advent raised 85 per cent of its most recent fund outside the UK. "There is a lack of information on the industry's performance. The jury is still out on venture capital."

The problem facing venture capitalists in the UK is that most of the independent funds

set up in the early 1930s have yet to complete a full 10-year investment cycle and repay

their investors. They are dependent on interim valua-tions of their holdings in a host

of small companies.
The "captive" funds, which

form part of larger financial groups, meanwhile bury their results awey in their consoli-dated accounts and anyway

use different formulae to sat-isfy their bank backers.

sncked into relatively ehort-term, low-risk manage-

ment buy-outs it is more than ever essential that the venture

capital industry paints a con-vincing picture of the returns available from the earlier

stage, the more genuinely ven-

"The UK venture capital industry has had several con-

secutive years of sustained growth," said Venture Econom-

ics, a leading venture capital

their performance expectations

The venture capitalists are torn between the need to adopt prudent accounting principles

turesome activities.

will be met."

With ever larger sums being

investors - the pension funds. insurance companies, hanks

original value.

largest companies in the UK, of whom 228 replied - suggested that the most common reasons for by-passing this notion rested partly on concern over diverging objectives and the prospect of control problems. Elaborating on this, those

with an interest in the idea suggest that the UK has rela-tively little tradition of minor-ity stakes — in contrast to some of the Continental countries - and that many large companies are hampered by fairly formidable control lines - who do you approach - is it the R&D people? Or is it finance?" queries one sup-

That said, to suggest that the UK venture capital industry has given up on the corporate venturing concept would be misleading. There are certainly those who claim that it is soley a matter of time before large companies perceive the value of the exercise, and that if the right people can be tapped per-sonally, the idea could be more readily accepted. For example, 3i says that it is "actively embarking" on a programme which will involve talking to

major UK groups who look

likely candidates for this area. On the way, it will etress its own willingness to get involved as an outside partner. Corporate venturing, more-over, spans a number of differ-ent structures, some of which at least in the eyes of certain observers - offer more potential than others. The most basic notion is that the large company should have a direct (minority) equity invest-

Despite the success of corporate venturing in the US, most large

companies in Britain remain unconvinced about this technique

ment in e small one - the lat-ter being either a new busi-ness, or one with which has no direct connection with the larger investor but which the bigger company feels ehows genuine prospects.

Moving on from this, there is a similar situation where large backs small with the risk being

specialist. Take this notion a stage further and the large company may even wish to invest in a venture capital fund - thereby spreading risk even more widely.

All of this is theoretically possible and, indeed, a handful of instances could be cited in the UK. What tends to generate far more enthusiasm, however, is the notion of "spin-outs" — either with or without third party (ie venture capital) sup-

The idea here is that large companies sometimes generate projects or possibilities which are inherently valuable but which cannot be pursued within the objectives of the company itself. If such developments, and the individuals con-nected with them, can be prac-tically "spun-out" from the original parent, both sides can henefit. The large parent retains an interest in a (hope-folly) growth product, and does not wave a final goodbye to etaff who might otherwise have been tempted to defect or

go solo anyway. The small company, meanwhile, sees the practical benefits of the large group's backing - be it financial, office space, marketing and so on while those involved in the "spun-out" company do not sever the links quite so drasti-cally and, in psychological terms, stake everything on the new venture.

The idea still raises a heap of The idea still raises a neap or questions, such as the commitment of the large company to helping the small, the degree to which the small company managers will really be behind the new ventures if they are still attached to the large, and

Cases can, however, be cited where this approach has brought convincing results. Mr Alan Spiers at 31 Ventures, for example, produces the example of a specific computer development which occured within ICL - essentially designed to speed up computer processes - which was happily spun-out.
As a result, the new company
was free to market to other
computer manufacturers without incurring conflicts of inter-

The Nedo document, on the other hand, quotes Microscribe which was set np in 1985 as part of the Sector Group. The company makes miniature computers and terminal equip-ment. Sector, although involved in the computer design, was anxious not to become heavily involved in this specific area. Instead Sec-tor took 30 per cent of the new company's equity, 3i another 30 per cent and the managers of the new business held the

ferent valuation policies, partly reflecting the fact that it is owned by the banks.

It compares its larger invest-ments - those worth over £1m - with the earnings of similar

listed companies; discounts heavily depending on the period until sale or flotation;

and corrects again to take into account the view of its manag-

ers who have made the invest-

Despite the differences between the valuation policies of BBHQ. ECI and 31, all three organisations describe their

policies as conservative. Less conservative were the proce-dures adopted by some of the

27 funds reviewed by Venture

investments on the basis of fin-

ancing rounds which were not wholly arms-langth. Those

funds which wrote down their

investments to below cost generally did so on an arbitrary

besis, while many funds were

not rigorous in applying dis-counts if there were restric-

tions on the trading of quoted

Charles Batchelor

Its study showed that half of

Nikki Tait

INVESTMENT BY INDUSTRY SECTOR (excluding management buy-outs)

		% of c	ompenies	1		% a			
	'84	'85	'86	'87	'84	'85	38'	<u>'87</u>	
Consumer-related	19.7	22.0	26.6	18.6	22.5	19.5	22.0	20.3	
Computer-related	14.8	14.9	13.7	14.3	15.6	19.5	11.0	11.6	٠.
Electronics	10.4	10.5	7.2	5.4	12.6	13.1	7.5	6.0	
Medical/Genetics	8.0	4.0	7.0	8.1	6.5	5.3	9.9	13.1	
industrial products	8.9	11.9	7.6	6.5	7.9	7.7	6.8	4.0	
Communications	5.9	6.9	5.7 .	6.0	. 6.5	6.9	5.8	3.5	
Transportation	4.6	3.6	4.7	. 3.4	27 .	3.2	7.7	. 23	-
Energy/mining	4.3	22	1,4	. 1.2	3.6	2.1	24	1.6	
Construction	3.7	5.0	2.9	3.6	4.6	3.7	2.0	4.6	
Other manufacturing	6.3	7.3	4.9	9.7	6.0	6.2	3.6	6.6	
Other services	13.4	11.5	16.3	23.0	1.6	12.6	20.5	25.8	
						South	cer INC Venture	ne Cankel Jos	armed .

VALUATION METHODS

The search for common standards

which do not overstate the value of their investments and the temptation to paint as rosy a picture as possible for their investors. The more thoughtful venture capitalists are reluc-tant to jump to early valua-tions of their portfolios since the two or three businesses which finally provide the big pay-off may rank among the

The result is that the annual rates of return published by many venture funds are not really very meaningful since usually no clear indication is given of how the figures are arrived at, Venture Economics

warns. "Without a detailed description of the valuation methods used, and the time periods to which the figures relate, such figuree can be very mislead-ing," the study adds. The British Venture Capital

Association, which groups most funds, earlier this year issued a set of guidelines on valuations. Investments in quoted com-

panies, which many venture capital organisations retain after flotation, should be valued at the closing mid-market price on the venture fund's bal-ance sheet date, the guidelines

But even with quoted securi-ties a problem arises with shares which are not widely traded or where there are restrictions on the sale of the shares. The guidelines recom-mend that discounts should be applied in these instances

though it does not suggest how large they should be.

But it is in dealing with unquoted stocks that the real problems arise. The association euggeste such investmente should be valued at cost. The exceptions would be if the business had run into such difficulties that it needed be written down; if an ontside investor had bought a significant pro-portion of the shares in an arms-length transaction, in which case the business can be valued at that level; or if the investee company was per-forming so well that continuing to value it at cost or in relation to an outdated third party transaction no longer made sense. In the last case the investment should be valued by the independent direc-

tors or investment advisers. Finally the association suggests the portfolio as a whols should be reviewed to see whether provisions are called for to reflect exposure to a particular industry or region or to adverse exchange rate movements.

Even if the association's 100plus members could agree to implement these methods of valuation there are still large areas where subjective judge ments are called for in applying the guidelines.
Mr Dick Onians, chief execu-

research group, in a recent study.* "investors are now looking for firm evidence that tive of Baring Brothers Hambrecht & Quist (BBHQ), says he values investments at cost unless there is a good reason not to.
If BBHQ decides a company's earnings potential is lower one or more new investors.

than previously thought or ECI Ventures, another in that the risks are higher, it will write the investment down in stages of 25 per cent, even if the investment is only 10 per cent less attractive than

Upward revaluations are only made if BBHQ has a repu-table offer in writting for its ness at 6 set price, or a signifi-cant amount of new money - at least 10 per cent of the shares

Broad-base

BES only

ECI Ventures, another independent fund, also values its investments at cost, upvaluing only after a significant armslength transaction or if the investee company has a specific alot for a market listing and where a broker has put his name to a price range. In such cases ECI takes the lower end further 25 per cent off for lack of marketability.

3i, Britain's largest venture

is been pro	viaea	Dy	сариа	T BLOI	th ac	iobra	very	щ
Compa	nies	by f	ocus	and	type			
	Ind	Cap	Affi	Pub	/sec	Total	Υ.	
d	9	16	2	0		29	27	7.1
early stage	24	3	2	0		29	· 27	7.1
buy-out	5	19	3	0		27	25	52.
	7	4	0	4		15	14	6.0
	1	3	3	0		. 7	6	3.6
	46	47	10	4		107	100	

Venture Capital Valuation Methods: Towards A Common Standard; £195.50; from Venture Economics Ltd. 14 Barley Moto Passage, London, W4 4PH.

ille leads five more

JULY 1988

MANAGEMENT BUYOUT

KTMLTD

VICKERS PLC

AUGUST 1988

MANAGEMENT BUYOUT

from a subsidiary of

SEPTEMBER 1988

MANAGEMENT BUYOUT

OCTOBER 1988

MANAGEMENT BUYIN

OCTOBER 1988

VENTURE CAPITAL

ranville led start-up syndicate

RANVILLE

INVESTMENT BUKING SERVICES FOR UK AND CONTINENTAL EUROPEAN

COMPANIES INSTITUTIONAL INVESTORS AND PRIVATE INDIVIDUALS

Grandle & Co. Limited, 8 Lovat Lane, London EC3R 8BP

Telephone 01-621 1212

Member of The Securities Association

ARD INDUSTRIES LTD

per of plastic extrusion to the building industry

HITTARD & CO. LTD

ist Edwardian-style retailer of tea and coffee

ille initiated this transaction and ovided the investment funds

LLSDOWN HOLDINGS PLC

NEY PRODUCTS LTD

MAN MAGNETICS LTD

lier of magnetic media products to the

dustry acquired from private shareholders

le advised the management teams se three Management Buy-Outs

eclalist plywood manufacturer acquired

as Flexible Manufacturing Technology Ltd

e's leading suppliers of machining centres

ble manufacturing cells acquired from

d Equity Transactions

DEVELOPMENT CAPITAL? THE WORKING FORMULA

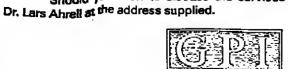
GPI is an independent "hands-on" financial partner. It invests in all industry sectors, has strong Scandinavian links and offers particular exparience in shipping, offshore and oil-related industries.

GPI specialises in troubled or special situations where companies require restructuring and active financial support to improve cash flow and overall performance. The current investment portfolio includes ten companies, and GP advises on funds to the order of £40 million.

GPI also offers corporate finance services, primerily in the above industries, which include mergers and acquisitions, provision of mezzanine capital and arranging of

GPI is owned 50% by its menagement team and 50% by the Swedish merchant bank Gyllenhemmer & Partners AB. For a formula that has been proved to work, contact GPI.

Should you wish to discuss the services we can offer, please contact



Little Tufton House, 3 Dean Trench Street, London SW1P 3HB Sephone: 01-222 8151 Talex: 914024 Fax: 01-222 0893





Telefs. 531657-533516 Telex 64461 Fax 525454 Member of EVCA, European Venture Capital Association

TAKE THE lift down to the basement of the offices of Schroder Ventures in London'e Schroder Ventures in London's Covent Garden and you will see, stacked away in ranks of filing cabinets which line the walls, the commercial dreams of several thousand would-be entrepreneurs. Schroders keeps in store the rejected business plans of the repeate who have plans of the people who have come to it for backing.

· State States

MANAGERIA PROPERTY OF THE PROP

1 v. 72 72 2

Most of the plans which come in take the form of fairly thick loose-leaf folders. Occastonally they come in on floppy disk. The advent of simple spreadsheet software and the enthusiasm of the accountants for detailed forecasts means

many business proposals which come to venture capital-ists are in fairly indigestible

Schroders a floppy disk which is incompatible with the com-pany's computers. Some busipany's computers. Some business plans are long on inconsequential detail but short on essential information about the people behind the proposal or the market they plan to enter. "We like people to write something down, even if it is only a two page list of questions to show they have thought the proposal through," says Mr Peter Smitham, a Schroders partner.

Profile: London Truckshop

A fund drive that paid off

of Britain's long distance lorry Perhaps it was this factor

that made it so difficult for London Truckshop to find seed capital — or maybe it was just another example of the notorious difficulties of raising

start-up finance.

The idea was relatively straightforward – to build a "truckstop" at West Thurrock in Essex – a collection of fuelling facilities, restaurants, a cinema and a motel, that would represent a quantum leap in the quality of services provided to lorry drivers. Now that the money has actually been raised, other facilities will include repair services, the sale of tyres and accessories, fax and telex facilities, secure parking and freight forwarding

In the US there are many such truckstops; in the UK, Mr Andrew Wilson, the company's managing director, found only institutional incredulity. Few expressed any willingness to back a concept that could spell the end to the greasy spoon cafe as we know it. "It was extremely time-consuming and difficult to raise the equity capital," recalls Mr Wilson, a for-mer managing director of an oil exploration company.

"Not only did we have to prove that the concept would work, with reference to hard evidence such as traffic flows as well as a more subjective exact amount depending on the assessment of whether truck-company's performance.

The first site is located at the that the project would provide end of the Dartford tunnel in south east London, and would appear to be an ideal place for

"We were up against the fact that most of the money belonging to so-called venture capitalists was available only to finance management buy-outs finance management buy-outs converted in Birmingham. Near or expansion of existing businesses. There appeared to be a great deal of competition for a cled by a plethora of distributory limited amount of the property limited amount of the property is the state of the property limited amount of the property lim

money."

In the event, with the help of County NatWest Venture, a #25m financing package was put together. The finance raised was a mixture of animal and together would like it," he recall.

Trades unions were conogether. The finance raised Trades unions were con-was a mixture of equity and tacted and drivers interviewed

tions (Sumit Grosvenor Venture Managers and Causeway
Capital) put up 21.4m in the form of convertible comulative participating redeemable preferred ordinary shares; Société General merchant bank put up £2.5m of project finance; and Mobil Oil helped with a mix-

MERCHANT BANKERS, ture of grants and loans of venture capitalists and accountants are unlikely to be familiar with the habits and tastes the site with its own products

It is a complicated package with each every party to it aware that the project would fall flat without the participa-tion of the other parties. In order to avoid any unnecessary risks and to keep each partici-pant happy, there was a simul-

> project is obviously unique to a project of this nature. The oil company has made a straight cash grant of 2300,000, has loaned equipment for the garage forecourt and the cred-it-card driven equipment used in the so-called Mobil Diesel Club arrangement. On top of that, there is a £250,000 10 year loan, repayable over the sec-ond five years and bearing a

> low interest rate. The £2.5m from Société General, a French bank, is a five year term loan with a drawdown period of one year during which the interest arising while the site is being con-structed is capitalised and repaid later. The loan bears terest at a fixed rate above

> The equity element, divided equally between the four institutions, will give them some-where between 40-70 per cent of the company's equity capital: there are various ratchet mechanisms to determine the

a truckstop. "There are lorries everywhere," observed Mr

debt funding, coming from three distinct sources apart from the management itself.

A syndicate of four institutions (Sumit, Grosvenor Venure Managers and Causeway

A syndicate of four institutions (Sumit, Grosvenor Venure Managers and Causeway

If the first truckstop is suc-

Profile: Oros Systems

Spin-out's tough birth

of times; in the case of Oros. Systems, the fund-raising exercise was complicated by the very complexity of the com-pany's products and by the pany's products and by the scale of the financing required. Based in Slough, Oros Systems was founded two years ago as a "spin-out" from deep within Celltech, a leading UK biotechnology company. Backed by international venture capital groups, Oros raised uo less than \$5m in March last year in what it claims to be the largest hiotechnology start-up in Europe

technology start-up in Europe Five young scientists, motivated by what they describe as the "classic entrepreneurial desire to run a company", decided to leave the parent company and set up on their own in an area related to but not in competition with Celltech's own activities.

Celltech's own activities.

Every day, in the laboratories run by pharmaceutical companies, technicians are obliged to settle down to the time-consuming and tedious job of obtaining pure samples of proteins and other complex compounds from chemical mixtures. The Oros plan was to tures. The Oros plan was to combine expertise in artificial intelligence, chemical engineering and biotechnology to

RAISING MONEY for a develop equipment that would start-up is difficult at the best dramatically reduce the

develop equipment that would dramatically reduce the amount of time and work required to perform such tests.

Mr Glyn Edwards, managing director of Oros, claims that the first of the company's products to reach the market, the \$100,000 (£55,300) Mablab cuts the time taken by some jobs from days, or even weeks, to a few hours. "The equipment can be operated by a school-leaver, not just someone with a doctorate in chemistry," he adds.

If the and result of such products is greater simplicity and understanding, it is obvious that the synthesis of chemical engineering, sensor technology and computing that went into its design proved far from comprehensible to the average venture capitalist.

The five principals of Oros had to battle their way through a fog of misunderstanding; investors' initial reluctance to commit themselves to the project was compounded by the company's desire to raise \$5m in start-up capital, rather than a tranche of cash in the \$50,000 to \$250,000 bracket.

Investors were reluctant to

£250,000 bracket. Investors were reluctant to invest that much cash in an industry with which they were wholly unfamiliar, but Oros

Charles Batchelor on bringing together ideas and individuals

Mergers of convenience

"Wa don't want them to spend six months getting their accountants to draw up a 100page business plan. It will be a sanitised version of their ideas and won't let us see the man who is behind it. What we look for is personal motivation, intellect and ability."

At Schroders, as at many of

the other 120 or so venture capital groups in Britain, Monday morning is spent reviewing the state of the several dozen deals in which it is involved or con-

m which it is involved or considering.
Separate teams review buyouts and earlier stage financings, classifying them according to whether the deal is active, passive or dead.

With no shortage of funds available for investment the arrivers for yearly according to problem for venture capitalists is to find the deal which fits their area of expertise or interest and which can match their

high performance expectations. For entrepreneurs the chal-lenge is to get their business proposal to the top of the pile. Apart from looking for a business plan which is easily understood the venture capitalist seeks several features in the sal put to him. Outside the high-technology field, where an individual may have unique knowledge of a product or a process, the entrepreneur must be able to show he or she



"We don't expect them to be able to do everything and we don't expect them always to have succeeded," says Mr Smi-tham. "What we are looking for is a match between the idea and the individual.

out to Schroders involved the design of a new engine, despite the fact that the man behind the idea had no experience in this field. Another would-be entrepreneur suggested making a piece of electronic equipment which involved competing with the giants of tha electronic industry in volume

If business people have skills

areas but lack knowledge of marketing the venture capital-ist may put them together with a partner or partners who can fill the skills gaps. A common weakness, though, of business proposals put forward by engineers is their failure to understand the need for marketing or financial expertise.

"They tell me these areas are just common sense," Mr Smi-tham says. "I point out to them the thick volumes on my bookshelves on these subjects and ask them if so much could be written if it were just common

Some proposals, however

sound, may simply fail to meet the venture capitalist's require-ment for very rapid growth. To achieve the high returns – typically 30-40 per cent a year - that their investors expect, most venture capitalists limit their investments to the real high flyers. The business must be capable of growing fast enough to be ready for sale or Mr Minton says. Those who do appreciate flotation in three to seven

Entrepreneurs and venture capitalists frequently fall out over the valuation of the business. Venture capitalists claim business people are unrealistic in their estimates while the entrepreneurs counter that they are being asked to sign over too large a share of their equity too cheaply. Schroders has been looking

at one deal which it values at 12m but which the entrepreneur thinks is worth £10m. Valuing a start-up is particu-larly difficult since there is no trading record ou which to judge it.

When it comes to buy-outs, though, the venture capitalist

can frequently help the buyout managers negotiate a bet-ter price from the owners of the business.

"It is difficult for managers to disparage their own business in negotiations," notes Mr Barry Minton, another Schrod-ers partner. "On one deal we

pointed out the weaknesses of the businese to the owner. When he had left the managers asked us why we wanted to help them if the position was so bad."

As the venture capital indus-As the venture capital industry has grown and dozens of new funds have been set up, it has become increasingly difficult for the entrepreneur to know where to turn for help. Many business people still assume all venture capital groups are the same and that all they have to offer is money.

"We don't expect would-be clients to be able to do everything nor to have always succeeded"

that venture capitalists value their expertise more highly than their money are still a small minority. But a small number of entrepreneurs is selective and does demand to know what a particular venture group can do for them be ture group can do for them, he

says.
The difficulty the business person has in finding the right venture capitalist has led to the growth in Britain of venture brokers, small teams of consultants who will help the entrepreneur find a suitable backer and advise on how best to present a business plan.

We have identified about 30 broking teams set up by ex-merchant bankers, accoun-

Tony Lorenz, managing director of ECI Veotures. "We expect them to be an important source of deals in future."

We save the time of both the entreprenaus and the very We save the time of both the entrepreneurs and the venture capital funds," says Mr John Clarke, managing director of City Venture Brokers. "We can put the entrepreneur in touch with the right fund and reduce the stress of fundraising."

City Veoture Brokers says that it helps entrepreceurs to draw op an acceptable business plan, typically of between 13 and 20 pages, with a two half a dozen venture capitalists.

Its consultants rehearse business people in the presen-tation of the plan so they put over their message clearly and some of the accountants who help eotreprencurs draw up their plans is that they take over the process, Mr Clarke

Accountants may be reluctant to be critical of unworksble plans because they want to protect their audit relationship with their client, he claims.

It is up to the entrepreneur
to decide whether a service of

de whether a service of this kind is worth the fee. City Venture Brokers says It charges 5 per cent of the value of the deal and takes an option on between two and 5 per cent of the equity If the broker can prevent the business plan from ending up in the venture capi-talist's basement file the entrepreneur might agree this was money well spent.

When men climb mountains they work as a team.

But one man is chosen to go first, to assess the risks, to seek the right path.

He is the leader.



Venture Capital portfolio of £370 million in 220 companies.

£100 million per annum available for investment in all stages and sectors of venture capital.

Investments from £250,000 to £75 million in any one company.

30 flotations achieved to date.

If you're seeking inspired leadership and wish to climb with the best, call Robin Hall or John Brown on (01) 245 6911.

ITICIN VENTURE MANAGERS BORN LEADERS



A member of MRO

The US sector remains in buoyant mood, reports Nancy Dunne A case of too much money

FOR YEARS BOW US WE capitalists have worried at their burgeoning industry become a casualty of its success. They have envisit a deluge of dollars, fever a deluge or contars, revently flowing toward the best practial deals, bidding up the strength of potential investments.

in fact, Fortune maga-announced the arrival of long feared era earlier his month in an article entitled Case of Too Much Money "A decade ago, before re-tory changes and a new a ance for risk brought big tutional investors into business, venture firms about \$2.5bn at their dispo

Fortune reported. "Now they control \$30bn, far more than the bined capital of the seven est US investment bank houses, whose interests much broader. The torne money shows little hint of

The competition for incomments has not discouraged.
Raymond Held, president Abbott Capital Management New York intermediary pany which selects veilure capital and leveraged belout (LBO) funds for investogelients. Returns have dropped be says, from about 25-30 percent in the past decade to about 15-20 per cent. LBOs have sually produced higher returns.

Our job is to be very elec tive," he says. "Wa lookfor groups that have experienced various economic cycles ho know how to advise themsompanies through ups and downs of the economic environment."
He searches out investments

in a broad spectrum of fous-tries and areas, and has figure to put funds into leverage buy-outs of small and medium ized companies first - project that the takeovers are frielly. In the industry as a mole.

only about 6 per cent of the financing last year with on LBOs; 38 per cent for early stage projects and 48 per cent for second and later stage

Mr Held likes to cite Queen Isubella and King Ferdinaid as the first known venture capt-talists. "In this business you have to have a long term pro-spective. Our partnershingeo-orally last 10 years, and the early returns are usually-inini-

The modern era of the US venture capital industry was

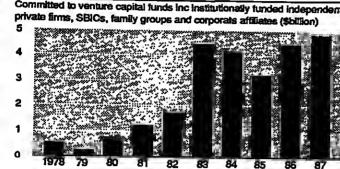
US venture capital companies By capital under management at 31.12,1987 200 think-tank.

Net new capital

150 %

100

Committed to venture capital funds inc institutionally funded independent



launched after the Second World War, when wealthy families began to invest in promising new projects. It grew slowly, attracting ever more investors until the late 1970s. A han willing from the US I show key ruling from the US Labour Department in 1978, declaring venture capital pools "prudent" investments for pension funds, spurred a surge of new

At around the same time, the equity markets began to perform well again, Young companies launched with ven-ture capital — like Tandem Computers and Apple Com-puter — went public and flour-ished Investor ished. Investors saw the poten-tial and began to hunt for their own gushers.

As the number of partnerships grew to finance entrepreneurs, so too did the need for intermediaries, like Abbott, which sorts through the poss bilities for large individual and institutional investors. A recent development has been the "fund of funds" which pools clients' money and spreads it among several ven-ture partnerships.

The diversification of the investments accounts for the industry'a healthy returns. Although many of the entre-praneurs founder, there are enough incrative hits to more than compensate for the losses. Tha stock market collapse

last year bears some responsibility for the surge of new dol-lars into the industry, according to Mr Clinton Harris, vice president of Advent International Corporation, the world's largest international venture capital network. The crash scared a lot of institutional investors from the stock market and created a

flood of money into our indus-try," be said. "There's so much of it out there, we are now competing with each other." Even more troubling, investor jitters have virtually shnt-down the new public offerings market, which was a lucrative means of liquidating 10 year venture partnerships. Last year the number of venture-backed initial public offerings fell from 98 to 81.

Pension funds now perform as the industry's single largest source of capital, although

each one rarely puts more than 35 per cent of its boldings into venture capital, according to dr Stephen Piper, an associate with Vanture Economics, the industry's research group and

In 1987 venture capital funds raised \$4.2bn with pension schemes providing 39 per cent of the capital, up from 31 per cent in 1983. Well behind the pension schemes last year were the insurance companies contributing 15 per cent; foreign investors with 13 per cent; individuals and families 12 per cent; corporations 11 per cent; and endowments/foundations

10 per cent. While private investment has soared, government grants made through the Small Busi-ness Administration to lever-age private money, have plumraised almost \$23bn through private funds; almost \$4bn from corporate subsidiaries, and only \$2.3hn of government

money.

Increasingly, the industry has been moving away from investment in computer hardware holdings in favour of consumer-related prodocts and health care. However, one of the industry's pioneers. Mr Peter Brooke, sees a bright future for technology-based companies which can compete globally and move new prod-

ucts quickly. In 1985 Mr Brooke launched Advent International, a world-wide network of 14 venture companies, operating in 16 countries with more than \$1bn in capital.

One recent investment in a new generation of French made technology for breaking down kidney stones was identified by the group's partner in Singapore. After the German partners had evaluated the technology, several of the partners took equity stakes in the company, the Japanese partner introduced the products into the Japanese markst, where sales are on target; and the US management team is usbering through the Federal Drug Administration approval pro-

cess for the US launch. Advent partners believe they can generate the same kind of profits the industry enjoyed in the past, says Mr Harris. "Going international bas allowed us to go out and com-pete for the best opportuni-ties."

WEST GERMANY

Sector still finding its feet

FOR PEOPLE who should be invested about half the DM20m out touting for business, many of West Germany's slowly growing band of venture capitalists keep a determinedly low profile.

"The mentality of keeping things quiet is still very appropriate in Germany," says Mr Max Roemer, who runs Citicorp Venture Capital from the bank's Frankfurt headquarters. In Germany, there is the saying: one doesn't talk about money, one has it."

Just as with the many merg-ers and acquisition deals and management buy-outs, venture capital transactions tend not to be published. And in a business where failures are common, many of the practitioners prefer to remain silent about their clients' track records, especially when they them-selves are atill finding their

Soma important distinctions can be mads about German vecture capital, even in its rel-ative youth. The first is that in its "riskiest" sense of seed finance, this is still a small field in which big institutions, such as the banks, have held

In December last year, 14 companies got together to form the Deutscher Venture Capital Verhand (German Venture Capital Association) a flourishing centre for venture capital in Germany, run from Ber-

lin by Mr Werner Weber. However, of the members, only two are directly related to major banks. In other cases the link is not obvious. Deutsche Bank has a 40 per cent stake in VC-Gesellschaft für Innovation, also Berlin-bas with two smaller banks hold-ing the remainder. The com-

pany, set up in 1983, has so far

at its disposal, with projects in Rerlin taking pride of place, according to its head, Mr Diet-

mar Gruener. Some other big banks have also taken stakes in venture capital funds. But all hava tended to be reluctant to give their names a star billing. Too close an association with failure is still a sensitive issue for many of the big publicly-quoted financial institutions.

Mr Gruener thinks the prob-lem is partly structural. Germany lacks the broad layer of merchant or investment banks that exist in the UK and US. Such houses have often been among the keenest pron of venture capital in their home markets.

The big German banks are much more active when it comes to the less risky busi-ness of providing expansion and replacement finance to already-going concerns.

Expansion finance is dominated by the Kapitalbsteiligungsgesellschaft (KBG) in Germany. Such companies, which literally translated mean "capital participation company", have heen estab-lished by many banks, and, more recently, insurers since the mid-1960s.

In the past, financial assis-tance tended to take the form of debt, either at a risk-related rate of interest or at a slightly lower rate, topped up by a prof-it-related supplement.

In recent years, equity has played a higger part. It has mushroomed undar the Unternehmsnsbeteiligungsgesells-chaft (UBGG), a hybrid form of KBG, which has been set up by an increasing number of banks and insurers following a

law in January 1987. As with KBGs, the rationale

for a UBGG is to provide expansion rather than seed capital. But the difference is that UBGGs are entitled to substantial tax breaks if they can fulfil certain investment and growth criteria, the most important of which concern the number and size of its investments and the fact that it should float 40 per cent of its

ordinary shares within 10 years of being set up. Last February, the KBGs set up their own association, the Bundesverhandes deutscher Kapitalbeteiligungsgesellschaften (BVK). The group already has links with the DVCV, and there are suggestions they should merge.

Whether that will happan remains uncertain. Despite the aimilaritias between them, there are strong differences in aims and memhership. The national; the BVK more domes-tically-oriented.

The DVCV has already set up four working groups to dis-cuss points such as exit rules for investments and the use of state subsidies with the gov-ernment. The aim is to see whether existing legislation is adequate, whether new laws should be passed or whether it's just a question of using the existing laws more effectively,"

says one member. Both Munich based Techno Venture Management (TVM) and International Venture Capital Partners (IVCP), two sizeable funds with a wider inves-

of being the pioneer of the Ger-man venture capital business. TVM now has some DM166m under management, of which DM110m has been invested. Among its backers are major companies like Daimler-Benz, Siemens. Deutsche Bank and the Matuschka group, as well as some foreign investors. Of its 60 investments in Germany and other countries to date, 10 have already been sold off, according to Its manager, Mr Constantin von Dziembowski.

IVCP, set up in 1983, was the first of what has become a family of venture capital funds handled hy Genes, a Colognebased partnership. It has now invested some DM30m of the DM40m put at its disposal hy a group of mainly foreign institu

Genes has followed op with two further funds, Euroven-tures Deutschland, which has German companies like Deutschs Philips, Dresdner Bank and Bosch as its backers, and Euroventures Germany, which is aimed at international backers and which invests largely, but not exclusively, in Ger many. Run together, the funds have so far invested about DM17m of the DM65m at their

disposal. Mr Kuehr says. He believes the sector today is barely recognisable from the landscape just five years ago.
Looking back, "it has all taken
a long time, but the signs are
positive," he says. Nevertheless, "we still need more capltal and competition; that way we create new projects." Haig Simonlan

Tough spin-out

Continued from page 5 argued that the opportunity for developing their product would disappear unless they could raise the higher sum straight away, rather than in two tranches. Furthermore, they wanted to concentrate their resources on the operational side of the business and had no desire to be distracted by the necessity of raising a second slug of equity after just six

We wasted an awful lot of time trawling through a great long list of venture capitalists," Edwards recalls, Many institutions told us that they would be prepared to come aboard only if the whole deal were underwritten by a lead r many that in seeking 55m, we were being over-optimistic. We were absolutely adamant that this is bow we wanted to play it."
In the end, they whittled the

list down to those who had some understanding of the bio-technology world, and were thus in a position to appraise the project — which at this stage was little more than a husiness plan crammed full of rather complicated words, backed-up by five clever peo-

It was also important, given the risks associated with startups of every variety, that the investment in Oros repre-sented no more than a small proportion of the fund's assets. The financing package was

put together by Advent a Lon don-based affiliate of the Advent International network and a specialist in hi-tech investments. The deal itself was straightforward: Advent, together with two other insti-tutions - Blotechnology vestments (a fund advised by N M Rothschilds Asset Management) and Thompson Clive & Partners - put in approximately £1m each.

This gives the institutions a total of 33 per cent of the company's equity, subject to a ratchet mechanism depending on the amount they raise when the investment is liquidated— either in the event of a sale of Oros to another company or flotation on the London stock per cent of the equity.

The institutions have pro-vided more than just finance. Each of the three funds is represented on the Oros board. Advent and Biotechnology Investments are expected to generate ideas, business contacts and non-executive directors, whereas Thompson Clive's duty is to ask pragmatic questions about internal matters such as cash-flow.

"By looking inwards, and asking us awkward questions, they provide the ideal counter-weight to the other investors whose joh it is to look out-wards for new opportunities," Edwards says.

David Waller

Baring Brothers Hambrecht & Quist Ltd BBMO INVESTING IN THE FUTURE

ENTREPRENEURS OF.

EUROPE

Asian Venture Capital Journal

A Member of IMRO

If you want to profit from the explosive growth of venture capital in Asia... .. You should subscribe to The Asian

Venture Capital Journal, the only business magazina devoted to bringing you up-to-date information on emerging opportunities in Asian venture capital. For Information on subscribing, contact:

Leslie Burt, Editor-in-Chief The Asian Venture Capital Journal 16/F, Sincere Insurance Building 4 Hennessy Road, Hong Kong

852-5-279704 852-5-8650118 61254 IAMHX

COME AND JOIN THE WINNERS A selection of the many successful companies backed

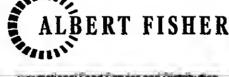
by ECI Ventures, a leading independent venture capital group with funds totalling over £100 million.



Williams Holdings PLC

Industrial Holding Group 1984 Buyin/Expansion Financing

Company Valuation 1984 . . . £14 million Now...£1.1 billion



International Food Service and Distribution 1983 Buyin/Acquisition Financing

Company Valuation
1983 . . . £4 million Now ... £350 million



Engineering and Building Product Manufacturer **1981 Venture Buyout/Restart** Company Valuation
1981 . . . £1 million



Print, Free Newspaper Publishing, Paper and Design 1984 Venture Buyout/Demerger

Company Valuation
1984 . . . £4 million
Now . . . £33 million Now ... £18 million



No₩ - . . £500 million

Bostrom

Vehicle Seating Manufacturer 1984 Venture Buyout/Turnaround

WATCH THIS SPACE!

WINNING THROUGH RESOURCE

For Expansion and Acquisition Finance, Buyouts, Buyins and Turnarounds, call or write to ECI Ventures, Brettenham House, Lancaster Place, London WC2E 7EN. Tel: 01-606 1000 Fax: 01-240 5050 ECI Ventures is a member of IMRO

HILL SAMUEL DEVELOPMENT CAPITAL

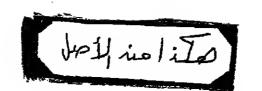
Buy-outs Buy-ins Expansion capital Replacement capital

Equity

Mezzanine

Debt

HILL SAMUEL BANK LIMITED 100 Wood Street London EC2P2AJ Telephone: 01-628 8011



VENTURE CAPITAL 7

Tee! European venture capital sources

* January 1 of Black in November 1986

Listed below are details of leading fund sources from 12 European countries compiled by Peat Marwick McLintock. Details of UK venture capital sources are listed on the following page. listed on the following page. The key is on page 8.

JAPANESE VENTURE capitalists have learned the hard way that theirs is a boom and bust business. Both their and bust business. Both their early 1970s and early 1980s booms went bust.

However, the sector still bossts more than 20 venture capital companies. The outstanding stock of Japanese venture capital investment is forecast to reach Y275bn by the end of March 1989, according to Nikkei Venture, a trade newspaper. At the end March, the total stood at Y240.5bn.

Japan's venture capital funds are conservative com-

funds are conservative com-pared with their US and Euro-

James Andrews on Japan's cautious fund managers

Once bitten, twice shy

pean counterparts. Instead of supporting start-ups, they wait to see if a company can survive its first two years before back-ing it. One reason for this is that venture capital funds are mostly affiliates of securities houses or banks. Venture capi-talism is seen as a way of enhancing their corporate finance business.

What they are looking for among young companies is those with the potential to be taken public or to be sold to one of their established big company clients, providing the parent securities house or bank with easy fees.

It was only after the over-the-counter stock market.

venture capitalism really started to take off. Nine of the 10 biggest venture capital funds were started since 1982. Only the industry leader, Japan Associeted Finance (Jafco), part of the Nomura over-the-counter stock market in the early 1980s that proved the

undoing of the most recent boom. Mimicking US venture capitalists, Japanese funds rushed to find new high-tech companies just as such businesses were hit by competition from the existing industry

About 60 companies backed by venture capitalists went to the wall or near it. To avoid e

repeat this time round, venture capitalists are turning to less technologically based and less risky service industries. Many funds say that half their new investment is now going into service industries, and that the proportion will rise. Japanese investors do not seem worried that the conse-quence of lower rick investquence of lower risk invest-ments will be lower returns.

Japanese venture capital funds. have typically generated a rate of return 40 per cent lower than that of US funds. Investment abroad is becoming an increasingly popular option. In the US the Japanese

presence remains small. Of the \$4 billion raised for venture capital there last year, foreign-ers accounted for only an esti-mated \$600m. The Japanese accounted for an estimated 12.5 per cent share of the total.

The UK is seen as the spring-board to the European market, especially in the run-up to the creetion of the single market in 1992. Jafco recently launched a Y3hn-Y5hn Euro-pean fund, while Nippon investment and Finance, part of Daiwa Securities, one of Japan's big four securities groups, has invested Y1.2bn in four UK high-tech companies.

· · · · · · · · · · · · · · · · · · ·	Range of in	dividual									lange of indivi	iduai						Terms of	
	kiveetmont	s considered		Develop-	Replace-	Men		Terms of		E .	svestments co	benebiano			Replace-	Man buy-out	Rescue		Telephone
FUND MANAGERS	Min	Max 1	Start-ups	ment	ment	buy-out	Rescue	Funding *	Telephone	FUND MANAGERS	Min	Max Start-	spė .	ment	ment	Duy-ou.			1 evelptions
BELGIUM (All figures in BF 000s)											_								
Advent Belgium Benevent Managments N.V.	10,000	35,000 30,000	Y	Y	Y	Y	N	m	2720 7007	(RELAND (All figures in IRE 000s)		4000 Y		~	~	Y	Y	2-7 years	1604733
beneveni Managments N.V.	10,000	30,000	Y	Y	Y	Y	Y	2-7 years	2725 1440	Aliled Irish Investment Bank PLC	50	4,000 Y		•	•	-		400	
Euroventures Benelux B.V. Investoo N.V.	500	15,000	Y	Y	Y	Y	Y	(C)	2725 1838	Development Capital	250	5.000 Y		~	~	Y	Y	Γ ₄ 0.	1 831 011
Investment Co. for Flanders	5,000	Open	Y	Y	Y	Y	Y	2-7 years	2513 4520	Corporation Ltd	23U 50	2,000 Y		Ÿ	Ý	Ý	(T)	5-10 years	1720055
(G.LM.V.)	3,000	140,000	. •	~	-	~	~	7 40	3233 8383	ICC Corporate Finance Limited The National Development	30	2,000		•	-		N	g-8 years	
SEPNV	5,000	50,000	J	J	5	J	Ä	7-10 years 5-10 years	2734 9909	Corporation Ltd	50	2.000 Y		Y	Y	Υ	N	3 c years	1 600611
Prominvest S.A.	20,000	150,000	Ÿ	Ÿ	Ţ	Ţ	~	3-7 veers	2517 2872	Согроналогов									
Societe Regionale D'Investissement	,	100,000	• .	•	•	•	•	o-i youro	2011 2012	ITAL Y/All floures in it '000 000s)									
De Waltonie (S.R.I.W.)	25,000 .	Open	Y	Y	N	Y	~	C	81322211	ITALY (All figures in IL 000,000s) Credipar Finanziaria Di							~	2-5 years	6457 5851
		- Opti.	<u> </u>	<u> </u>						Partecipazioni SpA.	1,000 550	15,000 Y		Y	N	Ÿ	÷	7-10 years	11650 2665
DENMARK (All figures in DKR'000s) Deriventure Invest A/S	9 000	50,000	~		v	v	v	F 40	/E 0 804660	Eurovenca SpA.	550	2,000 Y		Ÿ	Y N	Ÿ	Ń	2-5 years	2659 6221
Inventure A/S	3,000 2,000	50,000	Į.	Ţ	Ţ	. Ţ	Į.	5-10 years	45-2-681568 45-1-620171	Finnova SpA.	200	2,000	•	T	14	•			
Densk Kapitafanlaeg A/S	500	30,000 25,000	N	Ţ	Ţ	J	Ñ	3-6 years	45-1-157031	SO.FI.PA (Societa Finanziaria Di				~	~	Y	Y	2-5 years	6844 0641
Dansk Erhvervsinvestering A/S	100	22,000	♡	÷	Ü	Ÿ	Ň	5-10 years 3-5 years	45-1-143242	Partecipazione SpA.)	250 250	6,000 \ 1,000 \	,	Ÿ	Ċ	Ý	(T)	6-7 years	270 0354
AKF	200	20,000	Ÿ	÷	Ÿ	÷	*	3-4 years	45-1-312262	Tianguls Ltd		1,000		_ -					
							<u> </u>	0 17000											
FRANCE (All figures in FF 000s) Alan Patricof Associes					••			0.00	4.4000.0070	LUXEMBOURG (All figures in DM'000s)								0.7	
Banexi	2,000	30,000	Y.	Υ.	Ŋ	Y.	Y.	3-7 years	1 4553 0378	International Venture Capital	500	1,500	,	Y	Y	Y	Υ	2-7 Years	0352489428
Charterhouse Expansion	2,000 1.000	Open 10,000	J	Y.	Y.	Ţ	Ň	5-7 years	1 4014 4065 1 4723 5233	Holding Partners S.A.		1,000		<u> </u>					
Citicoro Venture Capital S.A.	5,000	10,000	J	Ţ	Ö	Ţ	N	variable	149061010									Mark.	
Pinovectron	1,000	Open 4,000	Ţ	Ţ	Ň	Ň	Ñ	2-10 years 6-7 years	1 4014 4065	NETHERLANDS (All figures in FL'000s) Atlas Venture Beheer B.V.	0	8,000	1	Y	(7)	Y	Y	Flexible	20973131
La Compagnie Financiere Du Scribe	1.000	10,000	÷	÷	Ñ	•	Ñ	2-10 years	1 4742 8028	De Nationale Investeringsbank	u	0,000	•	-	• • •			Flexible	
La Compagnie Financiere, Edmond	1,000	10,000	•	•		•		~ 10,000	1-17-12-05-05	N.V.	1,000	Open '	1	Y	m	Y	Y	7-10 years	70 425425
De Rothschild Group	1.000	5,000	N	~	~	~	Y	2-7 years	1 4017 2525	Euroventures Benelux B.V.	500	15,000	1	Y	(*)	Y	O	/-i o years	73 408243
Natio Innovation	500	2,000	Ÿ	÷	Ň	Ý	Ň	6-7 years	1 4014 4065	Gilde Venture Fund B.V.	250	5,000	1	Y	Y	Y	Ţ.	14	30 510534
Peribus Technology France S.A.	1,000	Open	Ý	Ý	Ņ	Ý	Ÿ	2-7 years	1 4298 1944	Holland Venture Holdings C.V.	200	4,000	•	Y	C)	Y	5-3	6-6 years	20991111
Siparex	1,000	15,000	Ň	Ý	Ý	Ň	Ň	Not	1678524107	Investeringen Oranie Nassau B.V.	500	10,000	'	Y	(T)	Y	()	0.01002	70 469670
	-,							Determined		Maatschappij voor Industriele					483	re)	/* 1	3-5 years	70 469265
								Ahead		Projecten (MIP Equity Fund)	1,000	10,000	ŗ	Y.	()	O	V	0-10 years	20 250915
Sofinnova S.A.	1,000	10,000	Y	Y	Y	Y	N	2-5 years	1 4280 6870	NeSBICB.V.	50	4,000	ŗ	J	, T	ტ	ď	4-7 years	33 32 1824
Soginnove S.A.	1,000	5,000	Y	Y	N	N	N	5 years	1 4742 7060	NORO Venture B.V.	o	20,000	ŗ	ď	Σ	8	Ж	Flexible	10 143444
Suez Ventures	1,000	8,000	Y	Y	Y	Y	Ņ	5-7 years	1 4006 6400	Venture Fund Rotterdam B.V.	0	5,000	<u> </u>	()	<u> </u>				
Thomson CSF Ventures	1,000	Open	_Y	Υ	<u> Y</u>	Y	Y	Fiexible	1 4561 9600										
GERMANY (All figures in DM'000s)										PORTUGAL (All figures in ESC'000s)	0.000	50,000	,	¥	Y	Y	Y	Flexible	01730019
BBHQ Baring Brothers										Capitair, SA	2,500	50,000	•	•	•	•			
Hambrecht & Quist	200	3,000	Y	Y	Y	Y	N	10	695975061	CISF-Companhiade Capital de	E 000	60,000	,	~	~	Y	Y	Plexible	01 775615
Genes GmbH Venture Services	250	3,000 1,000	Ý	Ý	Ň	Ý	N N	(*)	22345907679	Risco, SA	5,00 <u>0</u>	100,000	•	÷	Ý	Ý	Y	Flexible	02 668660
IDP Industrial Development		.,						• •	1.0.0	Nor-Risco, Capitalde Risco, SA	v	100,000	•	•	•	•			
Partners GmbH & Co	500	3,000	Υ	Y	Y	Y	Y	m	61744017	Promindustria-Sociedade	5,000	100,000	Y	Y	Y	Y	Y	Flexible	01 533516
3i Gesellschaft für								1,		Portuguesade Capitalde Risco, SA SFIR-Sociedade Financiamentoe	5,000	100,000	•	•	•				
Industriebetelligungen mbH	1,000	Open	N	Y	. N	Y	N	Open	69740835	Investimento de Risco, SA	10,000	60,000	Y	Y	Y	Y	Y	Fle xible	01 690619
KBG Kapitalbeteiligungsgesellschaft		4.7								SPR-Sociedade Portugesa de	10,000	00,000	•	•	-				
mbH Bedin	200	1,500	Y	Y	Y	Y	N	5-10 years	308610251	Capital de Risco, SA	0	150.000	Y	Y	Y	Y	Y	Flexible	02667165
Neu-Europa Hitec & Biotec	:									Capital de l'associ Cri									
Gesellschaft für Innovationen								Classical a	000040000	SPAIN (All figures in PTS'000s)									
mbH&Co	500	7,000	Y	Y	Y	Y	Y	Flexible	308842930	BBG-Gestora Invewrsories								**	
TIG-Technologie	_					v ·		0.7	308827201	Bancobao SA	10,000	200,000	Y	Y	Y	Y	Y.	4-6 years	341 458 0285
investitions GmbH & Co	0	2,000	Y	Y	N	Ŧ	T	2-7 years	300027201	Euroventures Espana	50,000	350,000	Y	Y	Y	Y	Ŋ		341 457 3556 341 411 1106
TVM Techno Venture Management	F00	0.000	Y	v	Y	Y	N	2-7 years	895587902	Selingova SA	5,000	(7)	Υ	Y	Y	Y	T	(3)	3414111106
GmbH & Co	500	8,000	T	T	T	T	14	2-7 years	080001002	Sociedad Bancaya De Promocion						••	N	Flexible	244 444 2444
WFG Deutsche Gesellschaft	050	4 500	Y	v	Y	Y	~	2-7 years	69710040	Empresarial SA	0	100,000	Y	Y	N	N	1.4	Lievines	341 411 3111
fur Wagniskapital mbH VC-Geselischaft fur Innovation	. 250	1,500	T	T	•	•	•	2-1 years	037 10010	Socieded Gestora De Fomento						~	.~	Flexible	341 435 3590
VC-Gesenschatt für innovation	200	2,000	v	~	Y	Y	. Y	2-7 years	308822420	Empresarial SA	30,000	300,000	Y	Υ	Y	<u>_</u>		PAUALNE	3414333330
mbH Berlin	200	2,000	<u>'</u>	<u> </u>	· · · · · · · · · · · · · · · · · · ·			2. 1000	300000										
GREECE (All figures in DR'000s)										SWITZERLAND (All figures in SFR'000s	s)				Y		~	5-7 years	2246 4855
Hellenic Organisation for Small &								1.0		Bering Brothers Hambrecht & Quist	85	3,350	Y	Y	Y	T	,	dis logge	22404000
Medium Sized Industries &								15 years		Euroventures Genevest		4			Y	v	m	5-7 Years	2243 5005
Handicrafts	. 0	40,000	Y	Y	N	N	N	Max	779 9926	Management S.A.	250	1,500	Y	Y	Y	T	O		EETO SOUG
Lybian Greece Investment Co								N.	000000	Groupement Pour La Promotion		E 000	J	v	м	~	M	5-7 years	21277291
(Libeco) A.E.	100,000	300,000	Y	· Y	N	N	N	Flexible	9588613	Du Capital Risque	250	5,000	Ţ	Ţ	N N	÷	N N	2-7 years	3723 1912
National Investment Bank for								dC man		Venture Associates S.A.	100	1,000	<u>. </u>			<u>'</u>			
Industrial Development .		***					N	15 years	324 2651	(*) — Information not available.			_						
(NIRID) A.E.	a	200,000	Y	· Y	Y	Y	N	Menc	JC+2001	1/									

We Are... Are They?

Chancery Independent, approachable, corporate finance advisers

If you are looking for expansion finance and are too busy running your business to consider over 150 sources of capital, talk to Chancery. Contact Frank Thaxton, Craig Reader or John Dodwell at:

CHANCERY PLC

14 Fitzhardinge Street · Manchester Square · London W1H 9PL

CAN YOU BUILD A BUSINESS?

ARE YOU?

WHILL

1222224444444

Dehl

☐ Seeking Venture or Development Capital

☐ Thinking of a Management Buy-Out

☐ Planning an Acquisition

☐ Looking for an Independent Shareholder

☐ Considering Going Public

CONTACT:

George Young ment Capital Corporation Limited 103 Mount Street London W1Y 5HE. Telephone (01) 491 0767

Peter Featherman **DCC Corporate Finance** Limited 103 Mount Street London W1Y 5HE elephone (01) 491 0767

WE HAVE

Capital

Imagination

12 years experience of backing Growth Companies





£100 million available to invest in growing companies

res, King's House, 36-37 King Stree CZV 88E. Tel: 01-726 4070

"We are now where a was four years ago mented Mr Battini. Since

industrial structure is an same in both countries still leaves France with

catching up to do.

The two star turns he moment are the laced buy-outs (LBOs), or RES. he

buy-ours (LBOs), or RES in French acronym, and are arounds. France has in a long way behind the buy a mixture of tax bre and changing attitudes it has ade spectacular progress res by According to AFIC a estamual report, LBOs are bed

annual report, LBOs are for 21.8 per cent of the capital funds invested

New funds raised in Europe

assus reports on a good year for LBOs in France

lus funds aid growth

PLENTIPUL CASE acquisitions fever have bined to revolutionic against only 4.1 per cent the year before. The figure could French venture capital le rench venture capital try over the past year.
Outside funds rate members of the French trees (AFIC) rose from fund FFr1bn in 1986 to FFr1.5bn in 1987, and where the past of the french trees the first year, according to first Battini, President of member association.

More important, all a funds were invested in compared with about increase further this year, Mr Battini said. Although tax credits were reduced from 100 per cent to 42 per cent for LBOs last year, approval for the Ministry of Finance no longer has to be obtained. Earlier this year, the electrical retail group Darty became the object of France's largest

RES to date. At FFr7bn it was insignificant compared with the multi-billion dollar deals now taking place in the US, but it was enough to arouse compared with about cent in 1986. concern in France. In size, the French capital industry is the biggest in Europe and world-wide.

"The buy-out was financed by FFr6.4 bn of debt," one critic said. "It was pure folly. People are prepared to purchase companies at any price these days. It is more a question of speculation to capture as much market share as possi-ble in an effort to prepare for the single European market in

Gilles Cahen-Salvador, chair-man of LBO France, which handled the Darty buy-out, dis-

agrees.
"It doesn't matter that the price was 23 times the previous year's net profit," he said. "It is the profit potential aftar investment and working capi-tal needs have been financed

Antoine Chappuis, Chairman of Citicorp Venture Capital, steers a middle course. "We are enthusiastic about prospects

for LBOs, but at the same time we must keep cool," he said. Buy-outs are not necessarily the panacea some people think. This is because French compa-nies are already more highly leveraged than American or British companies."

A more modest change over the past year has been a slight increase in start-up and earlystage financing, or what some operators would call true venture capital. Funding of this type rose form FFr162.1m to FFr208.7m last year or 15 per

cent of the total. A shift has also occurred in the sectors targeted for investment. Consumer goods and services outstripped all others by a wide margin both in the number of financings and rate

of increase last year.
This category was followed by other services, such as engineering, finance and real estate, and health and genetics. Electronics was the only sector to have declined last year.

"Business is switching to sectors linked to industry, such computer services, distribution of hardware and software, and also consulting," Mr Battini explained. Real estate is an area venture capitalists used not to want to touch. But a new generation of entrepreneur is emerging in France and companies are better managed,

In addition, the funds pro-vided by independent venture

from 31 per cent of the total in 1986 to 47.9 per cent in 1987. But banks and other finan-cial houses remained the larg-est sources of funds for independent venture capitalists, more than doubling their placements in this sector from FFr313m to FFr647.6m last

The stock market crash in October 1987 has had a predictable impact on listings. About 40 were floated on the second or over-the-counter markets in 1987; 20 is considered the likely

maximum this year.

The alternative of selling out to industry has come to the forefront, due to changing atti-tudes as much as to market

"Even young entrepreneurs are prepared to sell ont in France and start again," said Jacques Mecheri, partner in Euroventures. "In the past, it would never have occurred to a manager to get rid of a profit-

Tax and other regulations do not appear to be a preoccupa-tion at the moment, although reform will be needed before capital movements in Europe are freed in 1990, according to

"Taxation here is a handicap and, if nothing is done, funds will be moved out of France to Luxembourg and Britain, where the systems are more favourable, " he said.

Michel Tancrede, manager at Charterhouse Associates, has another complaint. "My regret is that legislation on the special status for venture capital companies is too complicated to be used by a reasonable person," he commented. "It seems (the authorities) tried hard to reinvent the wheel," he added.

The line-up of funds in France is not expected to evolve much. Mr Battini thinks restructuring will probably continue, along the lines of LBO joint venture Cyclade, put together by the Institut de Developpement Industriel, itself the object of an LBO last year, and the bank Credit Lyonnais.

There seems little doubt the buy-out fashion will continue, even though the experts are now so accustomed to being overtaken by events that they are reluctant to give more than a tentative forecast on how big

UK's leading venture funds

Britain dominates the European venture capital scene with a £4.7bn pool of funds. After two years of rapid growth, the amount of money available this year is expected to hold up. Independent funds, which have raised only £370m in the first nine months of 1988, are forecast to end the year just short of the record £708m raised in 1987. Investments in the six months to June totalled £550m and, if the trend continues, should equal the £1.03bn invested in 1987.

		_	-		-				
		t Marwick McI findividual	Lintock	– Venture	Capital I	Ostabase			
FUND MANAGER	liyestni Minimum	ents considered Maximum	Start-up		p- Replace ment	- Man buy-out	Resc	ue Telephon	Sector • Profesence
3I PLC Aberdeen Fund Managera	(5) 0 50,000	(ସ Open 500,000	i Y	Y	¥	Y	Ϋ́P	01 928 782 0224 63199	2 0
Abingworth PLC Advent	250,000 300,000	2,000,000 3,000,000	Y	Ý	Y · P Y	Y	P	01 839 674 01 630 981 01 920 915	1 O.(N)
AliB Venture Capital Alan Patricof Associates Althed Provincial Fund Managemen	250,000 100,000 at 50,000	4,000,000 5,000,000 500,000	Y	Y	¥	Y.	Ý	01 493 363 041 204 188	8 8
Alta Berkeley Associates Arab International Trust Co.	250,000	2,500,000	Y	Y	Y Y	Y Y	_ <u>Y</u>	01 629 155 01 434 414	1 0
Audley Fund Management Avon Enterprise Fund PLC B & C Ventures	50,000 100,000 500,000	Open 250,000 15,000,000	P	Y	Y N Y	Y	P N P	01 486 281 0727 21320 01 726 407	5 O(N)
Baillie Gifford & Co. Bank of Boston	100,000 250,000	1,000,000 2,000,000	Ň	Ý Y P	Ň Y Y	Ý Y	222	031 225 258 01 932 926 01 726 414	1 0
Bankers Trust Barclays Development Capital Baring Brothers Hambrecht & Quist	250,000 200,000	25,000,000 Open 1,500,000	N N Y	Ý	Ý	<u>'</u>	P	01 407 238	J.H
Baring Capital Investors Barnes Thomson Management	600,000 100,000	Open 500,000	Ñ P Y	Ý	Ÿ	Ÿ	. 22	01 408 128 01 487 387 01 242 490	BC -
Baronsmead Biotechnology investments Birmingham Technology	200,000 200,000	1,000,000 3,000,000	Ÿ	Ÿ	Ŷ	Ň	N	01 280 5000) DE
Venture Capital British Linen Bank	10,000 70,000	250,000 500,000	¥.	¥ Y	P Y	Y	P	021 359 098 031 243 846 01 403 666	3 0
British Technology Group Brooke Aliman International Brown Shipley Development Capital	50,000 50,000 750,000	1,000,000 5,000,000 3,000,000	Y	Y	N Y	P	42 42	01 283 5707 01 606 983	0
Cambium Venture Capital Cambridge Capital Management Candover Investments PLC	50,000 200,000 2,000,000	100,000 700,000 Open	Y N N	Ý	Y P P	Ý	P P	0344 885444 0223 312856 01 583 5090	0
Capital for Companies Capital Partners International	100,000	250,000 350,000	P	Ý	Ý	Ý	N P	0532 438043 01 351 4899	8
Capital Ventures Capital West Castleforth Fund Managers	30,000 500,000 100,000	20,000,000 Open 300,000	Y N Y	Y Y	PPY	Ý	422	0242 584380 0272 213206 01 240 6887	0
Causeway Capital Centreway Development Capital	400,000 100,000	2,500,000 1,000,000	Ÿ	Ÿ	Ý N Y	¥	Y	01 631 3073 021 643 3941	8
Charterhouse Development Capital Charterhouse Venture Funds Chase Investment Bank	100,000 300,000 500,000	25,000,000 2,000,000 Open	Y Y N	Ý	Ý	¥	222	01 248 4000 01 409 3232 01 726 5599	A.E.C
CIN Venture Managers Citicorp Venture Capital	250,000 500,000	40,000,000 Open	Ý	Ÿ	Ÿ	Ÿ	P	01 245 6911 01 234 2767	8
Close investment Management Clydesdale Bank Equity County Natwest Ventures	500,000 100,000 250,000	5,000,000 Open Open	N P	Ý	Ý Y Y	Ý	Ý P Y	01 283 2241 041 248 7070 01 382 1000	O),(N),O
Cygnus Yenture Partners Development Capital Corporation	250,000 250,000	2,000,000 5,000,000	P	¥	Y	¥	P	0995 72601 01 491 0767	8
Development Capital Group ECi Ventures Electra Innyotec	250,000 500,000	5,000,000	Y Y	Ÿ	<u>Y</u> -	Ÿ	Y	01 935 2731 01 606 1000	O'(E)'(N) O'TO'H'B
Electra Management Services Ensign Trust PLC	200,000 1,000,000 1,000,000	3,000,000 10,000,000 10,000,000	Y P N	Ý	P Y P	Ň Y	X Y P	01 831 9901 01 831 6464 01 588 6000	OMP O
Fleming Investment Trust Management Fleming Ventures	500,000 250,000	Open 1,000,000	P	¥	ę	Y Y	Y N		O.(B).(D).(K).(N)
Foreign & Colonial Yentures Gartmore Investment	500,000 250,000	3,000,000	Ņ	¥	P Y Y	Y	¥	01 623 4680 01 623 1212	ABC
Globe Investment Trust PLC GPI Granville & Co	.1,000,000 500,000 200,000	Open Open 2,000,000	P N Y	Ÿ	Y	Y Y	. *	01 836 7766 01 222 8151 01 621 1212	EFUK
Greater London Enterprise Gresham Trust PLC	40,000 50,000	500,000 1,000,000	Y	¥	Y	Ý	P	01 403 0300 01 606 6474	Š
Grosvenor Yenture Managers Guidehouse	200,000	1,000,000	<u> </u>	- Y	<u>Y</u>	Y Y	<u>Р.</u>	0753 32623 01 606 6321	O.B.C
Guinness Mahon Development Capital Hambro European Venturas	50,000 150,000	5,000,000	Y	·¥	N P	, M	P	01 623 6222 01 480 5000	O.E.(N).(P) O.(B),(C),(O)
Hambres Advanced Technology Trust Highlands and Islands	50,000	500,000	· Y	Υ.		Υ.	P	01 242 9900	O,A,C,E
Development Board Hill Samuel Development Capital	250,000	400,000 2,000,000	N N	¥	Ň	Ÿ	Ÿ	0463 234171	O.(M),(M)*
Industrial Development Board for Northern I	100,000	1,000,000 Open	<u>Р.</u> Ү	<u>.</u>	P N	- Ү	Y	031 226 7644	O,H
Industrial Technology Securities Ivory and Sime Development Capital	150,000 100,000	250,000 10,000,000	N .	¥	P	¥	Ŷ	0753 885524 031 225 1357	O.(N).(G)
James Finlay Bank JMI Advisory Services Johnson Fry PLC	50,000 0 200,000	500,000 150,000 10,000,000	P Y Y	Y N Y	P N N	Y N Y	N N	041 204 1321 01 930 7107 01 439 0924	O,F O,A,B,C,D N,E,H
Johnston Development Capital Kielnwort Benson	100,000	350,000	è	Y	Ÿ	<u> </u>	N	07372 42466	<u> </u>
Development Capital Lancashire Enterprises (Investments)	250,000 50,000	Open 400,000	P Y	Υ.	Y	Y Y	P Y	01 623 8000 0772 735821	. 0
Larpent Newton & Co. Ledu-Small Business Agency	50,000	500,000	Ÿ	Ÿ	Y	Ÿ	Y	01 251 9111	Ō
N. Ireland Legel & General Ventures Lloyds Development Capital	3,000 250,000 200,000	450,000 Open Open	Y N N	Ý	Ņ Y	¥	Y N	0232 491031 01 489 1888 01 248 4275	O.(D).(E).(F).(K)
Manchester Exchange and Investment Bank	50,000	Open	Y	Y	Υ	Y	Υ	01 251 9261	0
March investment Fund Maystock Associates Mercia Fund Managers	250,000 25,000 50,000	1,500,000 2,500,000 500,000	PYY	YY	Y	Y	PYY	061 834 9720 0335 44844 021 233 3404	000
Mercury Asset Management Meraeyalde Enterprise Board	500,000 10,000	Open 300,000	P	¥	N Y Y	Ÿ	P Y	01 280 2800 051 236 0221	- 00
Metrogroup Capital PLC Midland Montagu Ventures MUM Development Capital	50,000 500,000 250,000	400,000 Open 10,000,000	P P	· Ý	¥ P	Ť Y	ř	01 437 0483 01 260 9911	생
Minster Trust Morris, Stewart-Brown & Co	100,000 500,000	500,000 Open	P	Ÿ	Ÿ	¥	YZY	01 626 3434 01 623 1050 01 248 2884	000
MTI Managers Murray Johnstone Mynshul Bank	100,000 100,000 50,000	1,000,000 10,000,000 500,000	Y Y P	Ÿ	N Y Y	Ý	Ý	0923 50244 0 041 226 3131	(M),(M),(M),(M)
National Westminster Growth Options	25,000	300,000	Y	Y	Р	Y	N	061 236 1334	O,(D),(G),(V) O
Newmarket Venture Capital PLC Noble & Co. Noble Grossart Investments	200,000 50,000 100,000	1,000,000 Open 1,500,000	YY	Y		Y	Y P	01 638 2521 031 225 9677	C,D,B,E
North West Regional Fund Northern Investors Co	25,000 25,000	350,000 Open	Y	Y	Ý	Y Y	Y N Y	031 226 7011 061 793 9028 091 232 7068	O,(D),(G),(N)
Northern Ireland Venture Capital Norwich Union Venture Capital Oakland Capital Management PLC	20,000 100,000 400,000	200,000 1,000,000 1,000,000	P	Y Y	P	_¥	Ŷ	0232 230781 0603 683751	O.J.C.N O.(N).(P)
Octagon Investment Management Oxford Seedcorn Capital	75,000 10,000	500,000 100,000	Y	¥	N Y N Y	×××	Z P Z	0488 84656 0223 863033 0865 53535 0	H,M,J,(N),(P). A,B,C,L J,(H),(N),(N),(P)
Pine Street Investments	3,000,000 500,000	100,000,000 100,000,000 Open	P N Y	Ϋ́Υ	Ÿ	Ÿ	P N Y	01 283 8122	O,(F),(N)
Priper Investment Management Prelude Technology Investments Prudential Venture Managers	20,000	1,000,000	Y	- Y	P N Y	- Y N	P	01 225 3911 01 221 5488 0223 862232	M 0
Quayle Munro Quester Capital Menagement	250,000 100,000 100,000	15,000,000 1,500,000 750,000	P N Y	Y Y Y	Y	Ÿ	P P Y	01 831 7747 031 226 4421	О F,H
Rainford Venture Capital Rothschild Ventures Rural Development Commission	50,000 100,000 500	250,000 2,500,000 15,000	Ý Y Y	Ý	Y Y Y	Ý Ý	Ň	01 222 5472 0744 37227 01 280 5000	0,6,4
Schroder Ventures Schnitzr Development Capital	500,000 300,000	10,000,000 3,000,000	Ý	Y	- <u>N</u>	Ÿ	P N	0722 336255	O.B.C
Scottish Development Agency Security Pacific/Hoard Govett Equity Venture	5,000	1,000,000 Open	Ÿ N	Y	Ň	Ÿ	Y	01 487 5914 041 248 2700	O,(N),(F) F,D,J,C
Seed Capital Smithdown investments	10,000 25,000	30,000 75,000	ř	Ň Y	Y N P	Y N Y	Y Y N	01 374 1798 0491 579999	0.(19.(0)
South Glamorgan Investments South Yorkshire Developments St. Helens Bes Syndicates	25,000 75,000 20,000	1,000,000 60,000	Y	Y	Y	Ŷ	N P	09278 5199 0222 396131 0226 298311	O'Y'H'W
Stewart, ivory & Co. Sumit Equity Ventures	500,000 150,000	60,000 2,000,000 1,500,000	Y P P	Y	P Y	Ÿ	P	0744 696775 031 226 3271	O.(G).(N)
Sun Life investment Management Services The St. James's Venture	250,000	1,500,000	P	Y	Υ .	Y	Y P	021 200 2244	O,(G),(N)
Capital Fund Thompson Cilve & Partners	100,000	750,000 2,000,000	Y	Y	P	Y	P	01 606 7788	O B.C
Transatiantic Capital TSB	50,000	500,000	Y	Y -	Y	Y 	Y	01 491 4809	O,(F),(G),(K), (M),(N)
UBK Information Technology Partnership	250,000 50,000	Open 500,000	N Y	Y	Y	Ý	P	01 280 3190 01 600 6000	D O
Ulster Development Capital Ulster Venture Capital Venture Founders	50,000 10,000	300,000 250,000	N Y	¥	P Y Y	P Y Y	Y	01 626 3422 0232 246765	8 .
Venture Link Investors Welsh Development Agency	100,000	1,500,000	<u>Y</u>	P P	<u>N</u>	P	N N	0895 824015	A.B.D.E.(N)
Weish Development Capital (Management)	10,000	1,000,000 500,000	Y Y	Y Y	P.	Y	P	01 629 2299 0222 222666	A,B,C,D,E O,(G)
West Midlands Enterprise Board Yorkshire Enterprise	100,000 25,000	750,000 1,000,000	P	Ÿ	Р	Y Y Y	P P Y	0222 378531 021 236 8855	O (N),(P)
Key: Y = Yes P = Possible N = No Sector preference G = Agriculture H = Consumetrelated products) = (ces A - Commu	nications B = Comp	uter relate:	C - Other e	lectronic rel-		<u></u>	0532 420505	_ O.(N).(M)

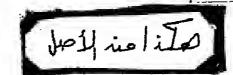
06.1 B Private investors 85.4 C Government agencies 484.2 46.9 D Banks 995.4 2.7 E Pension funds 524.9 394.4 65.9 G Others 658.0 06.6 H Retained earnings 1986 : ECU 1,881.7 Total new funds for Venture Capital 1987 : ECU 3,906.4 million



AND THE PRINTER SAID YOUR INITIAL **PUBLIC OFFERING WOULD BE A BREEZE.**



Full-service offices and plant affiliations in financial centers throughout North America and the world.



FINANCIAL TIMES WEDNESDAY NOVEMBER 30 1988

ONLY ONE VENTURE CAPITAL COMPANY STIRRED

Kirklees Chemicals, one of the UK's major suppliers of emulsion polymers to the paint industry, recently completed a successful management buy-out from Kalon ple.

Managing Director John Topp approached several venture capital companies to arrange, lead and syndicate the buy-out with funding of over £10 million.

He picked Phildrew Ventures because of our "total commitment and willingness to underwrite. While the others were iffing and butting, Phildrew moved quickly."

Those are John's words, not ours, but they
do sum up how we like (1) do things.

With our new £1)5 million equity fund, we can arrange deals of up to £1 billion. And while providing finance is our key role, we can also offer rather more.

Like the creativity needed to help structure the right package. The speed to put it swiftly in place. And, above all, the

enthusiasm to see things your way.

So if you're planning a management buyout or buy-in, may we make a suggestion?

Before you do, look us up.



6366

PHILDREW VENTURES

Creative Capital For Management Buy-Outs

STIRRED.

FOR A COPY OF OUR NEW BROCHURE TELEPHONE 01-628 6366

PRITON COURT, 14 FINSBURY SQUARE, LONDON EC2A IPD

PHR DREW VENTURES NOVISERS ♦ Partners, Coarles Gonszon - Fine thy Hart + fan Hawkins - Ron Hobbs - Robert Jenkins - Frank Neale - Phillips & Drew Ventures Limite

